

Foster S. Brown, of New York.
William W. Knight, Jr., of Ohio.
Miles F. McKee, of Michigan.
Joseph N. Thomas, of Indiana.

IN THE ENVIRONMENTAL SCIENCE SERVICES ADMINISTRATION

The nominations beginning David M. Wilson, to be lieutenant, and ending John E.

Thomasson, to be ensign, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on July 14, 1969; and

The nominations beginning Philip J. Taetz, to be commander, and ending Michael E. Wagner, to be ensign, which nominations were received by the Senate and appeared

in the CONGRESSIONAL RECORD on July 13, 1969.

IN THE COAST GUARD

The nominations beginning George A. Blann, to be lieutenant (junior grade), and ending Marcus L. Lowe, to be lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on July 14, 1969.

HOUSE OF REPRESENTATIVES—Monday, August 4, 1969

The House met at 12 o'clock noon.
The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Ask, and it shall be given you; seek, and ye shall find; knock, and it shall be opened unto you.—Matthew 7: 7.

O spirit of the living God, arise within us as we bow at the altar of prayer and lift our hearts into Thy presence. In this troubled time lead us beside the still waters where our souls can be restored and our faith renewed. In the quiet of this moment help us to hear Thy still, small voice and hearing it, obey it; and obeying it be led in right paths for Thy name's sake.

Direct and bless these leaders of our Nation that, in seeking to find solutions for the problems of this hour and endeavoring to discover a cure for the distress of our day, they first cleanse their own hearts and then may they see clearly to plan wisely and to move forward to the time when our people shall live together in good will and the nations shall dwell together in peace.

O God, make us good enough for this great day.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The Journal of the proceedings of Friday, August 1, 1969, was read and approved.

NATION NEEDS A SOURCE OF INTEREST CREDIT AT REASONABLE RATES—AN RFC-TYPE AGENCY PROPOSED

(Mr. PATMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PATMAN. Mr. Speaker, this Nation needs a source of funds at reasonable interest rates to meet its vast public needs.

The private money markets—regardless of the reason—are not providing the funds necessary to meet the needs of the school districts, the county, city, and State governments across the land. As a result, we are seeing school construction, water and sewage facilities, parks, roads, and housing fall far behind. We are creating a fantastically huge backlog of unmet public needs because of the lack of credit at interest rates that local governments can afford.

Every one of the 81,299 governmental entities across the country are finding it difficult—if not impossible—to raise the necessary funds. The municipal bond market—the prime source of funds for local governmental improvements—is virtually nonexistent and even huge units—like the State of California—are

finding it hard to market bonds. All governmental entities are paying premiums—interest rates of 6 to 7 percent on tax-exempt bonds—and many are simply unable to market bonds at any price.

Mr. Speaker, I am convinced that this Nation must reestablish a Federal credit institution similar to the old Reconstruction Finance Corporation—RFC—that operated so successfully between 1932 and 1954. RFC saved thousands of schools, local governments, and small businessmen in all sections of the Nation by furnishing credit—big blocks of credit—at reasonable terms.

Mr. Speaker, in the near future, I plan to introduce legislation—discussed by me in remarks that appear at another place in today's RECORD—to establish a modern version of the RFC to meet the vast credit needs—at reasonable rates—of our local governmental units and other worthy borrowers. In this way, we can keep the basic needs of the Nation—items like schools, water and sewage facilities, parks—moving forward regardless of what happens in the money markets.

THE PRESIDENT'S TRIP A TREMENDOUS SUCCESS

(Mr. ADAIR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ADAIR. Mr. Speaker, the President has now returned from a round-the-world mission which—while extremely difficult and very fatiguing—was a tremendous success.

If one reads the statements made by Mr. Nixon in the course of this trip, he readily discovers a common thread of thought which indicates a new dimension in our policy toward Asia. Briefly put, it seems to me that the President has said to friendly Asian nations that they will continue to have our economic support where necessary, but that we expect them to assume a greater share of the burden of developing and defending the free nations in that part of the world.

In the field of military assistance, it seems clear to me that the President is saying we are willing to provide material assistance where justified, but that we do expect these nations to provide the manpower for their own defense.

As a part of this policy, the President has indicated that the matter of replacing American soldiers in Vietnam with Vietnamese troops is receiving careful study and that we might expect a further announcement in this connection before the end of this month.

At the same time it is clear that we have made as many concessions to the

North Vietnamese and Vietcong as we can under present circumstances. As I have said before, if they truly want peace, then it is high time that they indicate it by some meaningful response. Unless this is done, the world can only judge that the Communist leaders, in fact, do not desire peace, but rather wish a continuation of the bloody conflict.

One is impressed by the unexpectedly small amount of anti-American sentiment expressed toward the President during this history-making mission. On the contrary, it proved again that there is a vast reservoir of respect, admiration, and good will toward this Nation and its people.

In short, by any standard, the President's trip must be labeled a great success and one which may lead to a proper and timely reevaluation of our policy toward other parts of the world, especially the Asian nations.

PRESIDENT'S TRIP AROUND THE WORLD

(Mr. RIVERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIVERS. Mr. Speaker, I was one of those who heard the report of the President this morning on his trip around the world.

I was very much impressed with his fine report. I was quite fascinated by what the President did do and what he tried to do.

The Nation should know the insuperable task imposed on this man. As we sat there listening to his account of his great odyssey, and it was an interesting one, all of us to a man—and I am sure, Mr. Speaker, you are not the least among those who have given the President your complete support—were determined to give this man our help; indeed, he is going to get our help and our understanding and our sympathy. He made a fine report.

I am not bragging—I happened to be one of those who went out to meet him last night. Seeing the outpouring of people who came out to greet him, and there were many thousands, meant one thing to me, that this country wants this man to succeed and they were with him on this trip around the world in which this country is being attacked in every area.

If the President can bring about a new understanding of America in the world, an understanding of the altruistic feeling of American and the humane efforts of this Congress and of the Nation which have been for a long time dedicated to

the betterment of conditions of all peoples of the world—then this trip will have been worth it. He deserves our gratitude and our prayers.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman yield?

Mr. RIVERS. If I have the time available, I am glad to yield to the minority leader.

Mr. GERALD R. FORD. Mr. Speaker, the President's report to the leadership of both major political parties and those from various committees having direct interest in foreign policy and military policy was a fabulously frank, very meaningful overview of his 12-day trip around the world. I was not only impressed with the details the President gave us, but the fact that he set forth a shift in foreign policy which will be better not only for us but for all nations, not only in Southeast Asia but throughout the world. I believe our Nation has benefited from this trip, and that we who were the beneficiaries of the President's report this morning are in a position to do a better job for the Nation.

Mr. RIVERS. I thank the gentleman.

PRESIDENT'S VISIT TO RUMANIA GIVES AMERICA THE INITIATIVE FOR THE FIRST TIME IN MANY YEARS

(Mr. PUCINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PUCINSKI. Mr. Speaker, I believe the President's visit to Rumania over the weekend was a monumental triumph for American diplomacy. I think the President's tumultuous reception in Rumania again proves the tremendous respect that the people behind the Iron Curtain have for the United States, its people, and its leadership. Mr. Nixon received an ovation from the people of Rumania unprecedented by any leader, and it only recalls for us the visit by another American a few years earlier when the late Senator Kennedy visited Poland. There he also received a tumultuous reception by the people of that country.

I believe the visit by the President to Rumania may very well be the turning point in the cold war, because when the President sits down with Brezhnev and Kosygin sometime later this year, he will sit down with the full knowledge that the 180 million people behind the Iron Curtain are strong friends and supporters of the United States.

One can only wonder at the reaction in the Kremlin to this huge reception for this American President, when the Kremlin was reduced to making silly statements over the weekend reminding people behind the Iron Curtain that the Brezhnev doctrine applies, and that they should not cuddle up too closely to the United States.

I believe we Americans can be proud of the President's visit to Rumania. I think it shores up our own firm belief in something that many of us have been saying here for a long time: The people of those "captive" nations are with us. They are our friends; they are not Communists. They happen to be dominated by Communist regimes against their will.

I think the President's trip to Rumania proved that point. I do not know whose idea this was, but whoever thought up the idea of the President going to Rumania should be identified and promoted. It was an excellent gesture. It gives America the initiative for the first time in many years.

For years it has been the United States that always had to react to Soviet initiative. But the picture has changed with President Nixon's bold trip to Rumania. Now it is the Soviets who have to react and their frenzied statements disclose they had not anticipated President Nixon's triumph in capturing the hearts of the Rumanian people.

Mr. Nixon's trip once and for all puts to rest the saying of those who would have you believe American prestige is suffering around the world. The President's enthusiastic reception wherever he went clearly shows how much we are respected and admired. Let those who would sell American prestige short just look at the President's tremendously successful journey.

PROFESSIONAL BASEBALL SHOULD ACT TO ELIMINATE DISCRIMINATION AGAINST WOMEN UMPIRES AND COMPLY WITH FEDERAL LAW

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRATTON. As the Member who has the privilege of representing Cooperstown, the home of the Baseball Hall of Fame, I am worried that all the good work that Bowie Kuhn has been doing to improve the image of professional baseball could be destroyed by the short-sighted efforts of one Phil Piton of Columbus, Ohio, president of the National Association of Baseball Umpires, who is apparently trying to ignore the Civil Rights Act of 1964, prohibiting discrimination on the basis of sex.

Mrs. Bernice Gera, of New York City, was signed up recently by the New York Pennsylvania League as the first lady umpire in professional baseball and had been scheduled to umpire her first game in my congressional district at Auburn last Friday night.

The community had planned a big celebration, and were expecting a record turnout crowd of some 3,200. Then Mr. Piton lowered the boom and Mrs. Gera's contract was invalidated by the umpire organization.

The crowd that finally turned out on Friday was 572 instead of 3,200.

Mr. Speaker, some concern has been expressed about the fiscal future of the minor leagues. Certainly if Mr. Piton is going to run things, then minor league attendance may indeed be in trouble.

I have wired the Attorney General and the Chairman of the Fair Employment Practices Commission urging them to investigate this action, which is clearly in violation of section 703 of the Civil Rights Act of 1964 and insist on the full compliance from the professional baseball umpires' organization.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

DESIGNATING THE VENTANA WILDERNESS, LOS PADRES NATIONAL FOREST, CALIF.

The Clerk called the bill (H.R. 3687) to designate the Ventana Wilderness, Los Padres National Forest, in the State of California.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HALL. Mr. Speaker, reserving the right to object, it is my understanding that this bill is substantially identical to the bill S. 714 which, I believe, passed that body on March 26.

After careful review as one of the objectors, I see nothing in the bill H.R. 3687 that will not be beneficial to the Nation, to those who use our wilderness areas, and indeed it simply transfers some acreage of the Ventana Primitive Area and adjoining national forest land in the Los Padres National Forest, Calif., which will have no effect on the Forest Service's ability to maintain park protection to a national wilderness area for preservation purposes. Therefore, it is in line with the consensus of Congress. There is no additional cost.

But, Mr. Speaker, I would like to ask the distinguished gentleman, the chairman of the Committee on Interior and Insular Affairs, what is the difference between "being identical" with the Senate-passed bill and "substantially the same as"?

Mr. ASPINALL. Mr. Speaker, if the gentleman will yield, there are two minor differences, and this is the reason I plan to ask that the Senate bill provisions be stricken and the House provisions inserted in lieu thereof. One difference has to do with the acreage, which is 95,000 in the Senate bill and is 98,000 in the House bill. The other difference has to do with the date of the legislation and in reference to the map referred to in the provisions. Those are the only differences.

Mr. HALL. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

H.R. 3687

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with subsection 3(b) of the Wilderness Act of September 3, 1964 (78 Stat. 891), the area classified as the Ventana Primitive Area, with the proposed additions thereto and deletions therefrom, as generally depicted on a map entitled "Ventana Wilderness—Proposed," dated August 15, 1967, which is on file and available for public inspection in the office of the Chief, Forest Service, Department of Agriculture, is hereby designated as the Ventana Wilderness within and as a part of Los Padres National Forest, comprising an area of approximately ninety-five thousand acres.

Sec. 2. As soon as practicable after this Act

takes effect, the Secretary of the Agriculture shall file a map and a legal description of the Ventana Wilderness with the Interior and Insular Affairs Committees of the United States Senate and the House of Representatives, and such description shall have the same force and effect as if included in this Act: *Provided, however*, That correction of clerical and typographical errors in such legal description and map may be made.

SEC. 3. The Ventana Wilderness shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

SEC. 4. The previous classification of the Ventana Primitive Area is hereby abolished.

With the following committee amendments:

On page 1, line 8, strike out "August 15, 1967," and insert "March 14, 1969."

On page 2, line 1, strike out "ninety-five" and insert "ninety-eight".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 714), to designate the Ventana Wilderness, Los Padres National Forest, in the State of California.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 714

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in accordance with subsection 3(b) of the Wilderness Act of September 3, 1964 (78 Stat. 891), the area classified as the Ventana Primitive Area, with the proposed additions thereto and deletions therefrom, as generally depicted on a map entitled "Ventana Wilderness—Proposed", dated March 14, 1969, which is on file and available for public inspection in the office of the Chief, Forest Service, Department of Agriculture, is hereby designated as the Ventana Wilderness within and as a part of Los Padres National Forest, comprising an area of approximately ninety-five thousand acres.

SEC. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and a legal description of the Ventana Wilderness with the Interior and Insular Affairs Committees of the United States Senate and the House of Representatives, and such description shall have the same force and effect as if included in this Act: *Provided, however*, That correction of clerical and typographical errors in such legal description and map may be made.

SEC. 3. The Ventana Wilderness shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

SEC. 4. The previous classification of the Ventana Primitive Area is hereby abolished.

AMENDMENT OFFERED BY MR. ASPINALL

Mr. ASPINALL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASPINALL: Strike out all after the enacting clause of S. 714 and insert the provisions of H.R. 3687, as passed, as follows:

"That, in accordance with subsection 3(b) of the Wilderness Act of September 3, 1964 (78 Stat. 891), the area classified as the Ventana Primitive Area, with the proposed additions thereto and deletions therefrom, as generally depicted on a map entitled 'Ventana Wilderness—Proposed,' dated March 14, 1969, which is on file and available for public inspection in the office of the Chief, Forest Service, Department of Agriculture, is hereby designated as the Ventana Wilderness within and as a part of Los Padres National Forest, comprising an area of approximately ninety-eight thousand acres.

"SEC. 2. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and a legal description of the Ventana Wilderness with the Interior and Insular Affairs Committees of the United States Senate and the House of Representatives, and such description shall have the same force and effect as if included in this Act: *Provided, however*, That correction of clerical and typographical errors in such legal description and map may be made.

"SEC. 3. The Ventana Wilderness shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness areas, except that any reference in such provisions to be effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

"SEC. 4. The previous classification of the Ventana Primitive Area is hereby abolished."

The amendment was agreed to.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ASPINALL. Mr. Speaker, H.R. 3687, as amended and approved by the Committee on Interior and Insular Affairs, would designate approximately 98,000 acres of Forest Service land located in Monterey County, Calif., as wilderness. This land would then be administered in accordance with the Wilderness Act of 1964 and would be preserved in its unaltered wilderness condition for the enjoyment of present and future generations.

The designation of an area as wilderness precludes practically all commercialization. It precludes the construction of roads, buildings, or other structures, and generally prohibits the use of motorized vehicles or equipment. Other activities such as hunting, fishing, camping, and hiking are encouraged, but the facilities provided for these activities must be in keeping with the primitive and unaltered characteristics of a wilderness. Trails are simple; campsites are without tables or benches or the customary sanitary facilities. In summary, a wilderness area is set aside and preserved in such a manner that it will show a minimum influence or impact of man.

The proposed Ventana wilderness is located 120 miles south of San Francisco and 36 miles south of Monterey. Due to its proximity to the large population centers of the San Francisco Bay-San

Jose area, it is easily accessible for week-end or short duration wilderness trips from these centers. Also, because of its relatively low elevation, it is accessible and usable in wintertime when higher wilderness areas are snowbound.

The area contains headwaters of the Carmel, the Arroyo Seco, the Little Sur and the north and south forks of the Big Sur River. The mountain scenery is superb and is typical of the Santa Lucia mountains and the coast range of which it is a part.

The designation of this area as wilderness will not have any foreseeable adverse effect upon either the local or national economy. The watersheds, which are substantial, will continue their water yield. Timber resources are classified as noncommercial; mineral values are not significant, and there is no commercial grazing of livestock within the area. The nine parcels of private land, comprising 2,510 acres, will be acquired whenever possible.

From testimony presented to the committee, it became evident the addition of approximately 3,000 acres along the easterly boundary of the area was justified. This tract, known as the Willow Creek area, is entirely undeveloped and has all the characteristics of true wilderness. For this reason, its inclusion is recommended. At committee hearings, the Department of Agriculture testified it had no objection to this addition.

There were no objections to the designation of this area as wilderness during our committee hearings, and I know of none that have been raised since.

Mr. Speaker, I recommend that the House act favorably on H.R. 3687, as amended.

(Mr. KYL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. KYL. Mr. Speaker, H.R. 3687 designates the Ventana Primitive Area in the Los Padres National Forest and contiguous lands in the State of California as the Ventana Wilderness.

The bill designates 98,000 acres to be administered as the Ventana Wilderness under the Wilderness Act of 1964 by the Secretary of Agriculture.

The proposed Ventana Wilderness lies on both sides of the Santa Lucia Mountains in Monterey County, Calif., approximately 120 miles south of San Francisco and 36 miles south of Monterey.

The area contains the headwaters of the Carmel, the Arroyo Seco, the Little Sur, and the Big Sur Rivers. Elevations range from 1,200 feet to 4,800 feet. It contains superb mountain scenery, basinlike valleys, unusual species of trees and wild animals. The area is used by hikers, horsemen, and campers, and for fishing and hunting.

Some of the unique features of the proposed wilderness is the variety of vegetation in the area and not commonly found in other wilderness areas such as the Santa Lucia fir and popular coast redwood. It is also the habitat of the wild boar and other wildlife.

The water resources of the area are significant but remain unchanged under wilderness management. Timber resources are noncommercial because of

inaccessibility. The area has no commercially significant mineral deposits.

Both the Department of the Interior and the Department of Agriculture recommend the area as having outstanding wilderness qualities.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 3687) was laid on the table.

The SPEAKER. This concludes the call of the Consent Calendar.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 134]

Adams	Frelighuysen	Pepper
Arends	Fulton, Tenn.	Pickle
Ashbrook	Gallagher	Powell
Ashley	Gettys	Rarick
Baring	Gialmo	Rooney, Pa.
Barrett	Gray	Rosenthal
Berry	Gubser	Ruppe
Blanton	Hagan	Sandman
Brown, Calif.	Halpern	Saylor
Cahill	Hathaway	Scheuer
Carey	Hébert	Skubitz
Celler	Heckler, Mass.	Staggers
Chisholm	Ichord	Stephens
Clark	Kirwan	Stuckey
Clay	Lennon	Taft
Conte	Lipscomb	Teague, Calif.
Davis, Ga.	Lowenstein	Tunney
Dent	Mailliard	Utt
Diggs	Mikva	Vander Jagt
Edwards, Calif.	Minshall	Whalley
Fasell	Moorhead	Wyatt
Fish	Murphy, N.Y.	
Fraser	Oettinger	

The SPEAKER. On this rollcall 367 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE PRESIDENT'S TRIP ABROAD

(Mr. MORSE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORSE. Mr. Speaker, the President returned last night from a trip which I believe will increasingly be viewed as an important turning point in the formulation of American foreign policy, especially as it regards Asia and Eastern Europe.

President Nixon's statements throughout his Asian tour—in the Philippines, Indonesia, South Vietnam, India, Thailand, Pakistan—indicate a departure from much of the rhetoric which has dominated American thinking and American foreign policy since World War II. He demonstrated his understanding that a changing world environment demands the abandonment of many of the preoccupations which have characterized this country's posture in Asia in the past. In his enunciation of a new attitude toward a future U.S. role in

Asia, he has introduced a new flexibility—a flexibility that is essential if we are to avoid other Vietnams.

As the first American head of state to visit a Communist nation in over two decades, the President's reception in Rumania was overwhelming. The reaction of both officials and the population at large indicates their willingness to enter into more friendly and more fruitful relations with the United States. The two countries pledged to look for new ways of increasing economic exchanges between them. Coupled with the recent small steps taken toward easing U.S. relations with China, I am hopeful that this signals a new departure in American foreign policy—a departure from the rhetoric of the cold war which has lost much of its relevance.

I congratulate the President on a successful trip and join with my colleagues in welcoming him home.

PRESIDENT NIXON SEIZES THE INITIATIVE WITH COMMUNIST BLOCK

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Speaker, President Nixon has returned from a 12-day round-the-world tour that will stand as a landmark in America's efforts to seize the initiative in the quest for peace and friendly relations between this Nation and countries behind the Iron Curtain.

Certainly the highlight of the President's trip was his stop in Communist Rumania, where an outpouring of friendliness and enthusiasm from an estimated 900,000 of the citizens of that nation proved that differing political systems need not stand in the way of the deeper feelings and beliefs that the common goal of man should be peace and friendship.

Too often in the past we have waited for the Communists to take the first step, apparently thinking that American initiative would be looked upon as an attempt of the United States to subvert the ties that bind the Communist community. We have been timid about what the Russian reaction would be to U.S. overtures to seeking partnership with the Soviets for improved relationships.

Often while we have waited for the proper time or the right conditions to move positively forward in this diplomatic area, small adversities have closed the door to progress, and we have had to start over.

In considering whether or not he should have visited Rumania during his latest trip, President Nixon could have allowed these conditions and some opposition from domestic pundits to stand in his way.

Instead, he seized the initiative in seeking a better understanding between the people of America and Rumania and received the most memorable reception he has gotten in visits to 60 nations during his travels to all parts of the world.

We will have to wait to see what we have gained by the President's visit to Rumania. It is better that the President

has taken the step that can lead to an improved understanding and better relations in our quest for peace than to have missed the opportunity to extend the hand of friendship.

PRESIDENT NIXON BRINGS RE-NEWED HOPES FOR PEACE IN OUR TIMES

(Mr. BLACKBURN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLACKBURN. Mr. Speaker, last night President Nixon came back to the United States bringing with him renewed hopes for peace in our times.

It is seldom that an American President traveling abroad has returned with such impressive results.

It is seldom that any statesman has so honestly faced up to the foreign policy problems of our times.

It is seldom that an American President has stated so well and succinctly the aims of the United States in today's world.

Mr. Speaker, without question the peoples of the entire United States and most of the world, regardless of differing philosophies of government, were cheered by the President's word that—The United States wants to bring peace to the world, and we want to work with others to maintain peace in the world.

Mr. Speaker, I urge my colleagues in both Houses and on both sides of the aisle to join wholeheartedly with the President in working toward those goals.

WELCOME HOME, MR. PRESIDENT

(Mrs. MAY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MAY. Mr. Speaker, the President's trip has been of unquestionable value diplomatically. The leaders of the visited nations must now have a clearer understanding of American attitudes and directions. Mr. President, your trip has served perhaps a larger purpose in its effects on the people of those countries, particularly the people of Communist Rumania.

You have given these Iron Curtain people the chance to get rid of the "bogeyman." Whatever the image of the United States held by these people, your presence, Mr. President, has let them know that behind the horrible image they sometimes get of America are people. People who are in many ways just like them.

Separated by distance, language, customs, and ideology, it is often easy to forget that nations are made up of people, and that people everywhere share dreams and hopes and aspirations. When two Americans stepped onto the moon 2 weeks ago, the brotherhood of man in that instant became highly visible. Mr. President, the warmth and interest you conveyed to the peoples you visited underlined this "spirit of Apollo."

The Eagle placed the olive branch on the moon's surface. Mr. President, you have carried it to the rest of the world. Welcome home, and thank you.

THE PRESIDENT'S TRIP BRINGS WORLD CLOSE TO PEACE

(Mr. McCURE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURE. Mr. Speaker, I wish to join with those who have taken the occasion of the President's return home to praise the results of his trip abroad.

Without question the world is closer to peace today because of that trip.

Without question our chances to build a stable and peaceful Southeast Asia are better because of that trip.

We have been assured that no longer will the United States involve itself in the land wars of that subcontinent.

But at the same time our allies in that region have been assured of an American umbrella of protection against outside aggression, they have been assured that the United States surely will not abandon its allies, and they have been assured that the United States intends to continue to play a major role in the development of that region.

Mr. Speaker, the President has outlined a realistic policy for the United States to follow in Southeast Asia, and he has won agreement with that policy from our allies in that part of the world. The Nation can be proud of what he has accomplished.

A SUCCESSFUL TRIP BY AN AMERICAN PRESIDENT

(Mr. THOMSON of Wisconsin asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMSON of Wisconsin. Mr. Speaker, last night the Nation welcomed home President Nixon after one of the most successful trips an American President has made abroad in recent years.

The trip began most auspiciously with the successful completion of the Apollo moon mission and with this impetus carried on to an equally auspicious close in Rumania.

During the President's trip he charted new and practical directions for us to follow in Asia, directions that give hope for an end to American involvement in land wars in that part of the world. And he brought renewed hope for better understandings between our Nation and nations of Eastern Europe.

Mr. Speaker, all Americans can be thankful at the results of President Nixon's trip. We hope and pray that his experience, his ability, and his efforts in dealing with the leaders of other nations will bring a lasting peace in our time.

THE PRIDE OF APOLLO 11

(Mr. FREY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FREY. Mr. Speaker, the Apollo 11 moon landing united this country in pride and purpose. It is true there were a few who attempted to interject politics into this great moment, questioning the President's communication with the astronauts on the moon. But even this

soon died out when we learned that it had been done at NASA's request.

All Americans in one way or another participated in the moon landing. It was particularly fitting that the President, as a representative of all the people, was present at the recovery of the astronauts. The end of their journey marked the beginning of the President's journey, and the spirit of Apollo 11 accompanied him on the trip.

It was with special pride that the people of my district who helped launch Apollo 11 learned of the many people in Communist Rumania who lined the streets holding up newspaper accounts of the moon landing.

Apollo 11 showed the world that there is nothing this country cannot do if unified in purpose. Apollo 11 showed the world that the greatness of America is not just in material goods or technology, but in its spirit.

I congratulate the President for his continuing interest in our space program which began with his service as Vice President in the fifties. I salute the President for bringing the spirit of Apollo 11 to the rest of the world and showing the world what a free nation under God can accomplish.

PRESIDENT NIXON RENDERS SIGNIFICANT SERVICE

(Mr. BUCHANAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUCHANAN. Mr. Speaker, our President has rendered a significant service to our country and to the entire free world in his recent round-the-world diplomatic mission in which I believe he has taken the great achievement of our astronauts and, in a timely fashion, helped to make it work toward better relations with other nations and toward peace with justice in our time.

The President's great expertise in foreign affairs and personal knowledge of many of the world leaders helped him in his quest. He is uniquely well-qualified for this kind of personal diplomacy, and will, in my judgment, prove himself increasingly to be as our President a significant force for good among nations. Every American has reason to commend what he has done for our country in this mission.

SOME COMMENTS ON PRESIDENTIAL TRIPS

(Mr. DERWINSKI asked and was given permission to address the House for 1 minute.)

Mr. DERWINSKI. Mr. Speaker, like so many other Members, I welcome the President home and trust that the results of his trip will be positive in the search for peace.

I should like to point out to the Members, especially those on the Republican side of the aisle, that we used to snicker a bit at the way in which our Democrat friends would rush to the well and eulogize Presidents Kennedy and Johnson after their worldwide trips.

I wish we would not fall into the same pattern. Let us treat the President's trips

objectively. Let us not succumb to political idolatry.

While I believe the President conducted himself in an effective fashion and while I believe he has seized the initiative in foreign affairs, let us wait 3 or 4 months before we label this one of the great diplomatic trips of history. The results are not in yet, especially the results from some of the private conferences on the trip.

While we wish the President well and believe his trip has been successful, let us not blindly fall into the pattern of patting the Chief Executive on the back as if he possesses papal infallibility.

PROVIDING FOR AGREEING TO THE SENATE AMENDMENTS TO H.R. 9951

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 509 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 509

Resolved, That immediately upon the adoption of this resolution the bill (H.R. 9951) to provide for the collection of the Federal unemployment tax in quarterly installments during each taxable year; to make status of employer depend on employment during preceding as well as current taxable year; to exclude from the computation of the excess the balance in the employment security administration account as of the close of fiscal years 1970 through 1972; to raise the limitation on the amount authorized to be made available for expenditure out of the employment security administration account by the amounts so excluded; and for other purposes, with the Senate amendment thereto, be, and the same hereby is, taken from the Speaker's table, to the end that the Senate amendment be, and the same is hereby, agreed to.

The SPEAKER. The gentleman from Mississippi is recognized for 1 hour.

Mr. COLMER. Mr. Speaker, I yield the customary 30 minutes to the minority, to the very able gentleman from California (Mr. SMITH). Pending that, Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a very simple resolution—a short horse that might be shortly curbed. This is another instance of where the so-called “other body” has taken a House-passed bill and placed upon it an irrelevant and nongermane matters. In other words, the House a social security bill dealing with withholding of taxes for unemployment. This bill went over to the other body, and the other body, after deliberating, wrangling, and maneuvering, added to it a simple provision or amendment providing for the continuation of the surtax for 6 months on a 10-percent basis.

Now, Mr. Speaker, this resolution would simply take that Senate-passed bill with this nongermane amendment from the Speaker's table and pass it. When that is done that part of the surtax and of the social security tax will become law.

Now, again, I want to point out that this is a nongermane amendment, it is another effort on the part of the other body, whether intentional or otherwise, to usurp the powers, the constitutional powers, of this body, the elected Repre-

sentatives of the people in the matter of revenue.

Now, as one who has supported the surtax extension, reluctantly, as many others did, I am going along with this, although I object to the procedure.

Now, I do not know that it is incumbent upon me to go into this, but actually, the question arises as to what happens to the balance of the House-passed surtax bill. Well, for the record's sake let it be noted that the Ways and Means Committee under the leadership of the outstanding gentleman from Arkansas has taken the rest of that bill that the House passed, including the repeal of the investment tax incentive, including the continuation of the surtax of 5 percent for the next 6 months after this 10 percent expires and put it into a package with the so-called tax reform bill.

In other words, the Committee on Ways and Means has taken everything that the Senate left out of the House-passed surtax bill and placed it into the reform package.

My understanding is that a rule will be requested on this combined bill tomorrow before the Rules Committee. And, then if that rule is granted and if the House passes that bill it will then go back to the other body and they can do such maneuvering as they see fit and make such disposal of the bill as they see fit.

Mr. Speaker, again, I want to register my protest against this procedure of the House of Lords—I do not mean it in that sense; excuse me; I want to retract that—but when the Founding Fathers set up this Government they provided that the purse strings—the raising of revenue and the making of appropriations must originate in this, the more populous body, the body that is elected by the people every 2 years. Of course, it is not necessary to remind you that our form of Government is pretty much based upon the English system with the House of Commons having the power and the House of Lords being a kind of cooling-off body. For years I have advocated, as a member of the Rules Committee, a rule of the House which would prevent the tacking of nongermane amendments in the other body upon House-passed bills.

In other words, if an amendment is put upon a House-passed bill that was not germane when that bill was considered in the House, it would be subject to a point of order when it came back to this body after a conference.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I am always happy to yield to my friend from Iowa.

Mr. GROSS. Mr. Speaker, I thank my good friend from Mississippi for yielding.

Does the gentleman recall about a year ago, when the surtax was added by the Senate to a bill on the continuation of certain excise taxes when it came back to the House, then at that time the gentleman from Iowa arose to a question of privilege of the House, and challenged the Senate action? For my pains, my resolution challenging the constitutionality of the Senate action, was defeated on a motion to lay on the table.

Mr. COLMER. I will say to the gentleman from Iowa that I do recall; and he was right.

Mr. GROSS. And the clear-cut test of the Senate's usurpation of House authority was shelved.

Mr. COLMER. I do recall the action taken by the gentleman from Iowa, which was quite appropriate. I am always happy when I find myself in agreement with the able and distinguished gentleman from Iowa.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. COLMER. I am sorry that I cannot yield further to the gentleman from Iowa at this time because of the limitation on my time.

Mr. VANIK. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I will have to yield to my friend from Ohio, and then if my friend, the gentleman from Iowa wants me to yield further to him then I will yield further, regardless of the time limitation.

Mr. VANIK. Mr. Speaker, I thank the gentleman for yielding me this time.

I would like to say that I agree with the distinguished chairman of the Committee on Rules about the need for germaneness. I hope the same principle applies when I appear before the Committee on Rules tomorrow to ask the Committee on Rules to give the Members of the House an opportunity to vote on the extension of the surtax for the first 6 months of 1970. This is extraneous to reform and should not be attached to the reform bill. The Members of the House should have a chance to vote on a reform bill without the encumbrances of a surtax extension.

Mr. COLMER. If and when the gentlemen from Ohio comes before my committee and asks for an open rule to consider this legislation, the gentleman will find me in his corner. I am not sure that I would want to limit the amendments to one amendment.

Mr. VANIK. I thank the gentleman.

Mr. COLMER. Mr. Speaker, I reserve the balance of my time.

CALL OF THE HOUSE

Mr. DOWDY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. FLYNT). Evidently a quorum is not present.

Mr. SISK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 135]

Adams	Gettys	Mikva
Addabbo	Glaumo	Moorhead
Arends	Gilbert	Morse
Ashbrook	Grover	Murphy, N.Y.
Baring	Gubser	Olsen
Berry	Halpern	Powell
Blanton	Hanna	Rarick
Brown, Calif.	Hastings	Rees
Carey	Hébert	Reid, N.Y.
Celler	Hogan	Ruppe
Clark	Howard	Saylor
Clay	Ichord	Scheuer
Cleveland	Kirwan	Stuckey
Cohelan	Lennon	Taft
Conte	Lipscomb	Thompson, N.J.
Corman	McEwen	Tunney
Diggs	McKneally	Whalley
Edwards, Calif.	MacGregor	Wiggins
Fascell	Mailliard	
Flowers	Mann	

The SPEAKER pro tempore (Mr. FLYNT). On this rollcall 374 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PROVIDING FOR AGREEING TO THE SENATE AMENDMENTS TO H.R. 9951

The SPEAKER pro tempore. The Chair recognizes the gentleman from California, Mr. SMITH.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

(Mr. SMITH of California asked and was given permission to revise and extend his remarks.)

Mr. SMITH of California. Mr. Speaker, as usual, the distinguished chairman of the Committee on Rules, the gentleman from Mississippi (Mr. COLMER), has explained this resolution in extremely accurate detail.

May I simply review the parliamentary situation which we are faced with here today.

Prior hereto the House passed the surtax bill. That bill also included the repeal of the 7-percent investment tax credit and some other provisions. It has not been acted upon in the other body. Then, subsequent thereto, you will recall that that particular surtax bill extended the surtax rate of 10 percent for the balance of this year—6 months—July 1 to December 31—and then 5 percent from January 1 to the end of the fiscal year, through and including June 30 of next year.

As I said, that bill has not been acted upon in the other body. Then, subsequent to that time the House passed a resolution extending the withholding tax on wage earners through July 31, 1969. That was to have expired on June 30. That measure was passed by the other body and became law. Subsequent to July 31, the House passed a resolution which extended the withholding on wage earners to and including August 15, 1969, which measure is also in the other body.

The other body then took this bill, H.R. 9951, which is a bill relating to unemployment tax withholding by quarterly installments and added on to that the extension of the 10-percent surtax until December 31, 1969. Other provisions that were in the House-passed bill on the surtax are not included in that extension. But, as I understand it, they have been included in the tax reform bill. My understanding further is that that bill will be heard in the Rules Committee tomorrow and if a rule is granted, it will be scheduled for floor action on Wednesday and Thursday of this week.

Then last week the other body placed this amendment in H.R. 9951. A request was made on the floor of the House to take that from the Speaker's table and to concur in the Senate amendments, which request was objected to.

The Rules Committee met that evening and reported out House Resolution 509.

Now, this particular resolution will—let me put it this way—the notice on the program may have been a little bit confusing inasmuch as underneath it we

have in parentheses "1 hour of debate," but that 1 hour of debate applies only to the consideration of House Resolution which is pending before us at the present time.

This measure, at the conclusion of the 1 hour of debate, will be voted either up or down. That is the 1 hour of discussion to which reference is made. In other words, there will not be an hour of debate on H.R. 9951 or the surtax extension amendment added to that bill. In other words, at the conclusion of the 30 minutes which are controlled by the gentleman from Mississippi and the 30 minutes which are controlled by myself, when that is over, the previous question will be moved. If it is adopted, then this particular bill is taken from the Speaker's table, to the end that the Senate amendment be and the same is hereby agreed to which will then insofar as both bodies are concerned continue the surtax to and including December 31, 1969, at a rate of 10 percent.

Mr. Speaker, I reserve the balance of my time.

Mr. COLMER. Mr. Speaker, I now yield 5 minutes to the gentleman from Louisiana (Mr. Boggs).

Mr. BOGGS. Mr. Speaker, will the gentleman from California (Mr. SMITH) yield me an additional 7 minutes?

Mr. SMITH of California. I will gladly yield the gentleman from Louisiana an additional 5 minutes, and then let us see how much time the gentleman may need in addition.

Mr. BOGGS. I thank the gentleman. Mr. Speaker, the House Committee on Ways and Means has produced the most comprehensive tax reform package in the history of this great Nation.

The effect of the package must be considered as complementary to the bill passed on June 30—extending the surcharge at 10 percent through January and at 5 percent through June of 1970—when the surcharge ends—repealing the investment tax credit; postponing the repeal of certain excises on communications and autos; and removing all below the poverty line from the Federal tax rolls.

This passed the House by five votes.

After a labor of 6 months in which we filled 15 volumes of testimony, we have written a bill that makes basic changes in almost every phase of Federal income taxation to insure that every individual and corporation pays his fair share of the tax burden.

Most important, we have achieved tax equity with fiscal responsibility. We have reached a fairer system and we have provided the funds for making the changes we have made without any deficit financing.

I say we have gone beyond what anyone had dreamed we would. We have gone further than the 1963 proposals of President Kennedy. We have gone further than the 1968 proposals of the Treasury Department under President Johnson, and we have gone further than the proposals of President Nixon early this year.

As a matter of fact, we have picked out the best of all these proposals, added to that sum, and surprised many people.

These proposals by the Kennedy,

Johnson, and Nixon administrations were more modest, because those administrations did not believe the House Ways and Means Committee would actually reform the tax structure because of the pressure from the many groups involved.

These three Presidents, two Democrats and one Republican, underestimated the depth of feeling of the American people for genuine tax reform.

The people have demanded that this business of some taxpayers with huge incomes enjoying all the privileges of American citizenship but managing to pay no tax at all, to support our Government. At the same time, they have seen the taxpayer making as little as \$23 a week paying \$42 a year in Federal income taxes, and they have seen the middle-income persons who bear the heaviest burden of all get no relief.

This bill meets those demands.

It meets those needs in the tradition of the U.S. House of Representatives, which under the Constitution has the exclusive power to initiate taxes.

This House of Representatives—your House of Representatives—is where Hamilton remarked to a visitor: "Here, sir, the people govern."

This bill is written in that spirit. It is not a partisan bill. It constitutes two essentials:

First, to cool the galloping inflation which has driven interest rates to the highest point in modern history; which has brought near depression to the construction industry, home building industry, and near panic in the financial community both here and abroad.

Second, to bring tax justice to all taxpayers. To insure that no one avoids paying tax, the bill restricts particular tax advantages in virtually all areas, ranging from the oil depletion allowance to the unlimited charitable contribution, which permits an individual to avoid tax completely by giving away property to charities and contributing nothing to the support of the Government.

By modestly lowering the oil depletion allowance—and remember, there are 110 items all cut about 30 percent—I believe we have assigned this heated controversy to the history books, much as we did to the butter-oleomargarine fight of the 1940's.

You remember how a candidate from Wisconsin had to pledge to be willing to die for butter, and how a man from the Cotton Belt had to pledge to be for oleomargarine.

Well, by lowering depletion allowances across the board by about 30 percent, we have eliminated oil depletion as a national issue.

A minimum tax or limit on tax preferences is provided in this bill. This limit means that if a man has let us say \$10 million, half of that, or \$5 million, would still be tax exempt, but the other \$5 million would be taxed at regular rates.

Thus, thousands either paid no taxes, or greatly reduced taxes through these methods.

So the people have demanded tax relief for low- and middle-income taxpayers—those raising families and seeing inflation cut into them, and the older citizens on fixed incomes. This bill provides it in the way of a low-income al-

lowance of \$1,100 to replace the present minimum standard deduction of \$300 for a single person and \$600 for a married couple with two children.

When this provision is fully effective in 1971, it will provide tax reduction of more than \$2.1 billion to the low-income persons.

Relief for middle-income taxpayers comes in the way of an increase in the standard deduction. This is of particular benefit to taxpayers with incomes of between \$7,000 and \$15,000. Because of the revenue cost involved, a balanced fiscal program requires that the increase in the standard deduction from the present 10 percent with a \$1,000 ceiling take place in three stages: To 13 percent with a \$1,400 ceiling in 1970, to 14 percent with a \$1,700 ceiling in 1971, and a final increase to 15 percent with a \$2,000 ceiling in 1972. For a taxpayer with \$10,000 of income who used the standard deduction, this means an increased deduction of \$300 in 1970, \$400 in 1971, and \$500 in 1972.

In addition, rate reduction, beginning at income levels above the income levels where the low-income allowance and the standard deduction provide the greatest tax relief, will provide tax reduction to the middle- and upper-income taxpayers. The rate reduction is generally 5 percent for this group. The rate reduction for the upper rates is necessary because these high rates have been one of the main sources of pressure to provide tax shelters. By reducing these rates, the top rate of 70 percent is cut to 65 percent. We can, in conjunction with the 50-percent tax limit on earned income, reduce the pressure to undo the reform and loophole closing of this bill.

First, the head of household for over 35; Second, the widow and widower situation;

Third, tax averaging; and

Fourth, moving expenses deductions.

I want to emphasize that this is not a Democratic bill, it is not a Republican bill. It is a bill for our country, and it was reported by the committee, as far as I can remember with only two dissenting votes.

I want to pay special tribute to President Nixon, who, once having been convinced of the necessity of this program, "bit the bullet," and went to work to pass comprehensive legislation, and to President Johnson, who convinced the incoming administration that this had to be done.

ROGERS MORTON is chairman of the Republican National Committee, and he serves on the Ways and Means Committee. I am vice chairman of the Democratic National Committee, and I serve on the Ways and Means Committee. We both worked for this package. This is a bipartisan bill.

The work done by the staff of the Joint Committee on Internal Revenue Taxation, headed by Larry Woodworth; the work done by the staff of the Ways and Means Committee, headed by John Martin; the Treasury Department, headed by Secretary Kennedy and his Assistant Secretary in Charge of Congressional Affairs, Edwin S. Cohen; all were outstanding and they deserve the commendation of all Americans.

This great relief can be granted with

total fiscal responsibility. The projections show that for each year beginning this year, there will be substantial surpluses in both the unified and administrative budgets, and this contemplates, God forbid, the continuation of the war in Vietnam and a vastly increased expenditure for weapons.

I have just come from a briefing at the White House with President Nixon and others. I was greatly encouraged over the prospect for the lessening of world tensions. If this comes to pass, many billions of dollars now being used for destructive purposes can be put to work to rebuild our cities, to tear down our ghettos, to make the land serve the people, and make life livable and enjoyable everywhere in America.

Now is a moment for us to raise our sights. When Isabella hocked her jewels to a strange man from Italy named Columbus, I am sure her financial advisers questioned her sanity. Then, it was 3 months before she knew that he had discovered a new world. At that time, Europe was in a period of despair—men were killing one another in religious war after religious war, and there appeared to be no hope.

Shortly thereafter, another woman, Elizabeth, Queen of England, came along and she led Drake and all the others, as did the Spanish and Portuguese, to encourage their explorers to circumnavigate the earth.

And the despair of the late 15th century was dissipated by this great new challenge to mankind.

Last week, when you heard two men speak to you from the moon, when you saw them walk on the moon, you must have thought in terms of Samuel Morse, when he said—words engraved on a plaque in this Capitol Building—at the time of the first telegraphic message from Baltimore to Washington, a distance of about 35 miles, "What hath God wrought?"

Now, indeed, what hath God wrought? Hopefully, in the words of the poet MacLeish, "We are indeed all brothers on this earth."

Prior to the events of last week, there was much despair in our Nation, disorientation of the young, a widening gap between the blacks and whites, between the inner city and the suburbs, our university campuses had become so disorganized that National Guardsmen and police were required to maintain law and order.

Hopefully, now, we can turn away from the strife at home and the strife abroad—the wars and bloodshed costing an untold billion in treasure.

Hopefully, we can now think of man as he really is—created in the image of God—a finite creature with infinite capacity.

Hopefully, this legislative package will return confidence first to all Americans in our ability in both the executive and legislative branches to govern: In our ability to achieve economic stability without runaway inflation; in our ability to retain a healthy growth rate and thus prevent what could have developed into a panic resulting in a depression which would have made 1929 look like a Sunday afternoon breeze. And haunt the Democratic party for 30 years to come.

And, finally, restore the confidence the nations of the world in the ability of Americans to work together as one nation as we manifest determination and accomplish the miracle of last week.

Mr. Speaker, I include with my remarks a résumé of the committee action which appears in the New York Times of yesterday, and a résumé which appears in the Wall Street Journal of Friday:

[From the New York Times, Aug. 3, 1969]

WASHINGTON, Aug. 2—The House Ways and Means Committee, after more than five months of work, has completed action on a tax reform bill that runs 362 pages and is generally believed to contain the most extensive revisions of the tax law ever put together in one package.

Its dozens of provisions range from a change in the standard deduction that is expected to reduce the taxes of some eight million taxpayers to provisions that eliminate special tax preferences that affect fewer than 100 individuals.

An analysis of some of its most far-reaching provisions follows:

MINIMUM TAX AND ALLOCATION OF DEDUCTIONS

These two provisions, in combination, were aimed at making sure that all individuals of considerable means paid a substantial amount of Federal income tax. The aim was not fully realized in the bill the committee approved, which will still permit some individuals in the oil industry to pay no Federal income tax at all. (See Oil Industry below.)

The minimum tax is a sort of group approach to a number of existing preferential provisions of the tax law.

The provisions of the minimum tax proposal say, in effect, that an individual must lump together all of his income that is rendered tax-free by various provisions of the law—the one-half of capital gains that is not taxed at all at present, for example. If this tax-free income exceeds half of his total income (providing it is more than \$10,000) then tax must be paid at the regular rates on that portion which does exceed half the taxpayer's total income.

Other forms of favored income that would be subject to the minimum tax include interest on tax-free city and state government bonds; losses from farms not really operated for profit; depreciation deductions on real estate that exceed actual depreciation, and the untaxed appreciation in the value of property given to charity.

Allocation of deductions

The allocation of deductions also deals with tax-free income, but the list of items is somewhat different. On the one hand, only interest from newly issued state and city government bonds need be counted. But the income rendered tax-free for oil operators by excessive depletion and drilling deductions is included in the computation of the allocation of deductions.

Fundamentally, the allocations provision is designed to make sure that no one with large amounts of tax-free income, who also has taxable income, can wipe out all or even most of that taxable income through the use of deductions. This occurs widely now.

An example illustrates the situation: Suppose an individual had \$100,000 in tax-free interest, the untaxed half of capital gains, and so on. Suppose he also had a taxable salary of \$50,000. If he had interest payments, local taxes, charitable contributions and other deductions totaling \$50,000, he would now pay no Federal income tax.

Under the provision for allocation of deductions, he could deduct from his taxable income only one-third of his interest, local taxes and so on—the amount of his total income represented by his taxable income. Actually, the deductions permitted would be a little more than one-third in this example,

because the committee's bill permits the first \$10,000 of tax-free income to be ignored.

Effect on the wealthy

The minimum tax and allocation of deductions will not only force some tax payments from almost all of the wealthy who currently pay no taxes at all, but it will also bring up to a fairly substantial level of tax payments many individuals who now pay relatively trivial amounts of tax.

This indirect group approach to tax preferences, rather than a head-on attempt to eliminate the underlying preferences themselves, is one of the more controversial features of the tax reform bill.

Those who oppose this approach say that it constitutes far less than a half-loaf in terms of eliminating tax preferences that they consider unjustified. They argue further that the indirect elimination of part of the preferences will make it harder to enact further reforms, because the public at large will think the problem has been taken care of, whereas it actually has not been.

Supporters of this approach, who include the present Administration's and the Johnson Administration's Treasury Department, say that in attempting tax reform, you take what you can get, and this partial change is better than nothing.

In addition, they argue that enactment of the minimum tax allocation of deductions may make it easier to reduce further or eliminate these tax preferences.

Their reasoning is that the fight against outright elimination will become easier as the preferences come to mean less and less to those who have them because of the operation of the minimum tax and allocation of deductions.

REAL ESTATE

The changes proposed in the taxation of real estate operations are aimed at reducing existing tax preferences granted owners and operators of commercial buildings, without diminishing the incentives that the tax preferences provide for construction of apartment houses.

While the committee's essential aim was to continue the incentives for investment in relatively low-cost, low-rent apartments, it found itself unable to devise a rule that would retain the incentives for low-income housing while eliminating them for middle-income and luxury apartments. It therefore left intact all of the existing preferential sections of the law applying to apartment houses.

The basic tax preference that real estate operators have is the ability to amortize their properties—that is, to deduct depreciation from their income—faster than the depreciation actually occurs. At present, depreciation at double the actual rate is permitted.

The committee left intact this double depreciation for newly built residential housing. But for other new building, effective on the date of the committee's decision, July 24, the depreciation deductions would be limited to one and one-half times the actual rate of depreciation.

Depreciation of old buildings

The ability of real estate operators to buy old buildings and still deduct a depreciation charge in excess of actual depreciation was ended completely. Depreciation on any old building bought after July 24 would be limited to the actual, or "straight-line," rate.

The committee also toughened the provision under which the Treasury can recapture from a building owner excessive depreciation that has been taken on a building that he subsequently sells.

Finally, with its focus on problems of slum housing, the committee provided a new incentive for rehabilitation of old residential buildings. Though these buildings, once refurbished, might have a useful life of many years, the cost of rehabilitation could be deducted in just five years.

The incentive is expected to be effective,

and there are already some reports of syndicates that may be formed to rehabilitate slum housing and take advantage of this new tax preference.

Double depreciation

The committee's decision to keep double depreciation for residential buildings and cut the depreciation on other types of buildings on one and one-half times the normal rate was a more limited action than the Treasury had recommended. It wanted these cutbacks as the first step in a two-step program of abridgement of real estate tax preferences.

Its recommended second step, in two or three years, would have eliminated the rapid depreciation for all types of buildings other than residential and for apartment houses other than low-cost.

The Treasury believed some means of defining the boundary between low-income and middle-income apartment housing could have been devised in the meantime, along with necessary changes in other Federal laws that assist housing.

The committee's changes are expected to increase the taxes of individuals and corporations in the real estate business by \$400-million to \$500-million annually after a few years. Since the provisions apply only to future real estate transactions or buildings, the increase in the first year would be only about half this amount.

OIL INDUSTRY

With the public at large, probably the most popular change that the committee voted was its reduction of the depletion allowance permitted the oil and gas industry from 27½ to 20 per cent. Proportional decreases were also voted in depletion allowances for almost all of the more than 100 other minerals on which smaller amounts of depletion may be taken. The depletion allowance is a simple deduction from gross income.

The committee also voted changes in the taxation of the oil industry that may have a greater impact on its operations than the cut in the depletion allowance.

It left almost untouched the present tax preference—accorded the oil industry alone—that can be coupled with the depletion allowance to permit many oil operators, especially the unincorporated independents, to escalate all, or nearly all, Federal income tax on millions of dollars of income annually.

The untouched provision is the ability of the industry to deduct in the year paid out most of its costs of exploration for and development of oil wells. These costs are comparable to capital outlays, which in other industries, have to be deducted over a period of years. The special preference for the oil industry is called the "expensing of intangible drilling costs."

While the committee formally estimated that the cut in the depletion allowance for oil would increase the taxes paid by the oil industry by \$360-million annually, there is general agreement that the estimate may be high. That is because the "expensing of intangible drilling costs" can still be used—even with the cut in depletion—to reduce taxable income as much as before.

The combination of depletion allowance and intangible drilling costs works like this:

Suppose an independent oil producer had gross income of \$1-million from his existing wells. Suppose his business expenses—payroll and so on—totaled \$300,000.

At present, in making out his tax return, he can deduct \$275,000 from his gross income as the depletion allowance. That, with his regular operating expenses, makes \$575,000 in deductions. If he wants to avoid all Federal income tax, he has to spend \$425,000 in exploring and developing new wells, which he can then also deduct. He does not actually have no income; he has the \$275,000 repre-

sented by the depletion allowance. But he has no taxable income.

Income cut to zero

With the depletion allowance cut to 20 per cent the deduction in the example would be reduced from \$275,000 to \$200,000. But the oil operator could still reduce his taxable income to zero simply by increasing his drilling expenses from \$425,000 to \$500,000. The additional amount he spent would produce more income for him in the future—against which a still-larger depletion allowance could be taken.

However, not all oil operators—particularly not the giant integrated corporations—are actually able to keep up their drilling expenses to the point of reducing their taxes to nothing, so the change in the depletion allowance will increase the industry's taxes to some extent.

Possibly greater impact on the industry would come, however, from the committee's actions to remove the tax advantage from some elaborate arrangements known as "carved out production payments" and "ABC transactions," in which several parties are involved in the sale, back and forth, of mineral rights or the shifting of income from one year to another—all for purposes of avoiding income taxes. The additional tax collections from these changes are estimated at \$200-million a year.

In addition, the committee also clamped down on some of the tax advantages that can arise from the overseas operations of oil companies, especially those in parts of the world where royalties are paid to sovereigns for drilling rights. No real estimate has been made of the revenue effects of this provision.

TAX-EXEMPT FOUNDATIONS

A large number of restrictions were voted by the committee. They fall into two rough groups: limitations on the financial and business dealings of the foundations and restrictions on the way they can spend their money.

In addition, the committee voted a 7½ per cent tax on the income foundations have from their investments and an alternative tax of 5 per cent of the market value of a foundation's assets to prevent foundations from deliberately shifting into low-earning assets to avoid the tax.

There will be little revenue impact from the restrictive provisions the committee adopted. Raising revenue was not the committee's intent in this area. Instead it wanted to set forth new limitations on what foundations may do and still retain their tax-preferred status.

The restrictions on financial transactions are mainly aimed at stopping individuals from setting up foundations essentially for tax-avoidance purposes rather than the educational, scientific, civic, or other public purposes for which foundations are supposed to exist.

FOUNDATIONS' REACTION

The big foundations whose names are well-known to the public—Ford, Carnegie, Rockefeller, and so on—have no objections to these provisions.

The committee's decisions to limit foundation activities have stirred considerable protest, however, although many of the limitations originally voted were subsequently modified.

A bar against direct foundation financing of voter registration drives remains in the bill, although indirect financing through other organizations would be permitted. (The idea behind this ban was that such voter-registration drives are really not non-partisan.) In addition, foundations would be barred from any attempts directly to influence legislation, even if such attempts did not constitute a substantial portion of their activity. They could still sponsor independent research on issues that might be related to legislative matters, however.

CURBS ON AID TO OFFICIALS

Details concerning the sources and disposition of foundation income—including the names of recipients of foundation grants—would be required to be made public.

No grants could be made directly to individuals except under specified standards, announced in advance, and approved by the Internal Revenue Service.

In addition, in an attempt to reduce the concentration of economic power in the hands of foundations, the committee voted generally to * * * ship of more than 20 percent of the voting stock of any company.

OTHER TAX-EXEMPT ORGANIZATIONS

Most tax-exempt organizations, such as educational institutions or charitable organizations, must pay taxes on the income they receive from business activities that are completely unrelated to the purpose for which they received their tax-exemption.

The income from any type of manufacturing would be taxable, for example.

At present, however, churches, social welfare clubs, civic leagues, social clubs and fraternal beneficial associations pay no tax on such "unrelated business income." (They would be required to do so, under the committee's bill.)

Churches were given six years to dispose of their unrelated businesses before the tax is imposed.

[From the Wall Street Journal, Aug. 1, 1969]

HOUSE UNIT PROPOSES \$6.5 BILLION CUTS FOR TAXPAYERS; SENATE AGREES TO EXTENDING 10-PERCENT SURTAX ONLY UNTIL DECEMBER 31

MASSIVE REFORM BILL RAISES BURDEN ON RICH PERSONS, AIDS MIDDLE, LOW GROUPS

(By Fred L. Zimmerman)

WASHINGTON—The House Ways and Means Committee, in a stunning climax to months of work on a tax-reform bill, proposed nearly \$6.5 billion of rate reductions and other benefits for taxpayers, mainly in lower and middle-income brackets.

The massive reform and relief bill, described by a Congressional tax expert as the "biggest restructuring of the tax code in history," is scheduled for a House vote next Thursday.

The politically difficult decision legislators will face in voting to raise substantially the tax burden on most wealthy individuals and on a variety of industries will be made easier by the committee's inclusion of sweeping relief for most individual taxpayers.

The bill is designed ultimately to increase annual Federal revenue through "loophole-closing" by almost precisely the same amount that the Treasury will lose each year through the rate reductions and other tax breaks the committee approved.

Rate reductions totaling \$2 billion, which will take effect during calendar 1970 and 1971, will average 5% of taxable income when fully effective. Application of the cuts will begin at the point in current tax tables where individuals become subject to a 21% tax rate. This level generally applies to married persons with \$8,000 of taxable income and single persons whose income is \$4,000.

The committee also decided on a major increase in the standard deduction of 10% of adjusted gross income, with a \$1,000 maximum—the device used by individuals who don't file itemized returns. The deduction would be raised gradually to an eventual level in 1972 of 15%, with a \$2,000 maximum.

Standard deduction change

In calendar 1970, the standard deduction would go to 13% with a \$1,400 maximum, and the following year it would rise to 14% with a \$1,700 maximum.

The committee also decided to cut the top individual tax rate to 65% of income from

the current 70%. Additionally, it sets a 50% maximum tax rate on earned income, as of next year. This would benefit those relatively few wealthy persons who currently pay Federal income tax totaling more than half their income because they lack sufficient deductions and exemptions.

The committee also decided to lessen the tax burden on single persons over age 35 who maintain a household by allowing them to claim "head of household" status when they file tax returns.

Widows and widowers with dependents who are under age 19 or attending college would be allowed to file joint returns, generally lowering their tax liability.

The committee also decided to abandon its earlier plan to phase into law gradually a "low-income allowance" that will reduce or eliminate the tax liability on 12 million returns of lower-income persons. Making this allowance fully effective next year will constitute a bigger tax break than originally planned for low-income families.

As a final tax-tightening action, the committee voted to increase the corporate tax rate on long-term capital gains to 30% from 25%.

By 1975, when most of the provisions will be fully effective, the committee's reform package will have increased annual Federal revenue by \$7.02 billion and decreased revenue by nearly \$6.88 billion, for a net annual gain of \$145 million.

Thus, the committee seemingly has made good on the long-standing prediction of Chairman Mills (D., Ark.) that the committee's tax-reform bill—on which work began last February—would have a "nearly neutral" revenue effect.

Costs to Government

Other revenue estimates, all still tentative, show the standard-deduction boost costing the Treasury \$2.1 billion a year by 1972, and the low-income allowance costing the same annual amount starting next year.

The estimated overall revenue gain of about \$7 billion includes an annual pick-up for the Treasury of about \$3.3 billion from proposed repeal, retroactive to last April 18, of the 7% tax credit for business-equipment purchases.

Imposition of the 50% maximum tax on an individual's earned income initially would cost the Treasury an estimated \$200 million annually but eventually the loss would drop to about \$100 million.

Although \$6.5 billion of tax relief will be an attractive proposition to vote for, many lawmakers will agonize over supporting the bill's tough tightening of a host of long-standing preferential tax arrangements.

Among the bill's most controversial provisions are these:

A cut to 20% in the 27½% oil-depletion allowance, a special tax break that's cherished by the politically potent oil industry but is widely regarded by Congressional liberals as the most glaring symbol of what's wrong with the Federal tax code.

Imposition of a tax of 7½% of net investment income on currently tax-exempt private foundations, as well as a series of stringent new curbs on their activities.

Elimination of the 25% maximum alternative tax rate on long-term capital gains, and lengthening to one year from the current six months the holding period that's required before sale of an asset is eligible for capital-gains treatment.

Imposition, under certain circumstances, of a tax on individuals' interest receipts from currently tax-exempt state and local bonds.

Establishment of a Federal subsidy arrangement designed to encourage state and local government to issue taxable, rather than tax-exempt, obligation. The committee decided that the subsidy should be fixed by the Treasury Secretary within a range of 25% and 40% of a bond's interest yield, except

that during the first five years that the arrangement is in effect the range would be 30 to 40%.

FINAL ACTION IS EXPECTED ON MONDAY; EMPLOYERS TOLD TO CONTINUE WITHHOLDING

(By Arlen J. Large)

WASHINGTON.—Congress failed to meet in tidy fashion last midnight's deadline for maintaining income tax withholding rates at present levels, but lawmakers confidently insisted it won't make any difference.

Agreeing, the Internal Revenue Service "advised" all employers to continue using the present tables and rates for income tax withholding. These rates and tables include both the regular income tax and the surcharge.

As Congress quit for the night, this was the situation:

—Both the House and Senate had approved an extension of the 10% surtax through Dec. 31. But approval didn't come in identical legislative form, as required, and President Nixon wasn't here to sign any bill, so the new Dec. 31 expiration date isn't yet law.

—Legally, employers today are entitled to withhold tax from payrolls at the lower pre-surtax rates. But the House is prepared to vote Monday to accept the Senate version of the bill, extending both the surtax and the present withholding rates, and send it to the White House. President Nixon is scheduled to be home from his round-the-world trip by Monday and will be ready to sign the bill into law.

—Congressional tax-writers and Treasury officials contend that, during the interval between last midnight's expiration of surtax-based withholding schedules and their expected restoration sometime Monday, employers will be safe in withholding payroll taxes at the present level.

Approval seen Monday

Technically that's illegal, but their justification would be the fact that both the House and Senate are on record as wanting the surtax extended until Dec. 31, and the strong probability that the legislative mess will be tidied up on Monday. Both Chairman Mills (D., Ark.) of the House Ways and Means Committee and Rep. Byrnes of Wisconsin, the committee's ranking Republican, predicted the House will approve the surtax extension in final form on Monday.

IRS Commissioner Randolph Thrower "advised all employers" in a statement last night to continue using the present rates and tables in computing how much Federal income tax to withhold from workers' pay. He went on:

"Now that both the House and Senate have voted to extend the 10% income tax surcharge . . . Congress is expected to complete final action on the surcharge extension in the next few days. In view of this anticipated action it would be in the interests of both employers and employees to continue the present withholding rates, even though there may be a few days in which the statutory basis of the surcharge is in transition. This will maintain the withholding that many employees will need to meet their tax obligations, assuming the passage of the legislation."

Congress enacted the 10% surtax on individual and corporate incomes last year, and the surtax expired on June 30, as provided by law. But as the June 30 date approached, efforts to renew the surtax became mired in demands for basic reform of the tax laws. Old-fashioned squabbling between Democrats and Republicans and between the House and the Senate added to the problems. The result is today's confusion for employers on payroll withholding and the spectacle in Washington of 535 wrangling lawmakers who couldn't meet a deadline.

Previous House action

In late June the House narrowly voted to extend the surtax at its 10% level through Dec. 31 and to let it drop to 5% through the

first half of 1970, after which it would expire. Included in the same measure was repeal of the 7% tax credit for businessmen's equipment investments, and a special provision removing low-income families from the tax rolls.

This bill hit the Senate at a time when Majority Leader Mansfield of Montana and other key Democrats were building a crusade for tax reform intended to close "loopholes" for the privileged and give a break to middle-income families. With the surtax extension obviously being held in the Senate as a hostage for that crusade, Congress acknowledged missing its first deadline—June 30—by voting a 15-day extension of the payroll withholding rates based on the expiring surtax. This was intended to give everyone more time to sort out the surtax reform muddle.

Then began a series of partisan maneuvers and rejected "compromises," which ended in a ringing verbal pledge by all Senate leaders with any rank whatever to bring a big tax reform package to the floor by Oct. 31. Only yesterday, with that wrangle evidently settled, did the Senate begin serious voting on what to do about extending the surtax.

On one key vote, the Senate decided 66 to 34 to defer for the time being any repeal of the 7% investment credit. It was generally agreed this will be accomplished in the promised tax reform package, and the repeal will be retroactive to April 18. A number of industries are fighting to continue using the investment credit for purchases of particular machinery, and various Senators will try to exempt these businesses from a general repeal. But the Senate didn't want this fight to interrupt the effort to extend the surtax itself; that's why the investment credit issue was postponed.

Sen. Mansfield and his Democratic troops already more or less had agreed on an extension of the 10% surtax through Dec. 31 only, letting it drop completely thereafter. Most Senate Republicans, regarding this as an overtly partisan proposal, voted against it. The Democrats narrowly prevailed, 51 to 48.

Then Sen. John Williams of Delaware, senior Republican on the Finance Committee, sought to give the Nixon Administration the rest of what it wants: The further extension of the surtax at 5% for the first half of 1970, as the House already had voted. But with all 100 Senators present in a rare display of perfect attendance, and with voting largely following party lines, the Democrats defeated that effort, 59 to 41. Then the Senate passed the bill—extending the 10% surtax through Dec. 31 only—by a vote of 70 to 30.

Not long after the final vote, the Senate adjourned for the day, leaving it to the House to decide how to reassemble these various scraps of legislation in which the two bodies agreed only on the extension of the 10% surtax at least through Dec. 31. Last night, after the House had adjourned, the Rules Committee met briefly and approved a plan that would bring the Senate-passed bill to a House vote on Monday afternoon. If the Senate measure is approved there, as expected, the surtax will be legal again.

Treasury Secretary Kennedy, in a statement, said the Senate vote "underscores the general consensus on the importance of action to curb inflation." Acknowledging that the extension "is six months short of the full year requested by the President," he took comfort in remarking that "Senate Democratic leaders gave assurance of early consideration" to the House-passed bill of late June that would extend the surtax through next June 30 at 5% and would repeal the tax credit for investment.

(Mr. BOGGS asked and was given permission to revise and extend his remarks and to include extraneous matter.)

Mr. SMITH of California. Mr. Speaker, I yield 4 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, on the subject of the constitutional prerogatives of the House, I remind you that a year ago, when the Senate took a bill to continue certain excise taxes and added to it the surtax and sent it back to the House, I then challenged the action of the Senate by arising to a question of the privilege of the House. I did not see many hearts bleeding at that time in support of my contention that the Senate had gone beyond its constitutional authority in originating tax legislation. It is not difficult to remember that the resolution I offered was tabled by some of those who are now shedding tears over the treatment they are getting from the other body.

Mr. Speaker, in view of the fact that contradiction is an accepted way of life here, it is appropriate that this legislation to continue the surtax be considered today, coming as it does hard upon the heels of House approval of the health, education, and labor appropriation bill which was ballooned \$2 billion above the spending rate of last year.

This despite all the fine talk on the part of some—and I said "some"—Members on the Ways and Means and Appropriations Committees who assert on one day that inflation cannot be halted by picking the pockets of taxpayers for additional billions to spend, and then, with the greatest of ease they vote for an appropriation bill that has been kited by \$2 billion.

This is contradiction and worse. This is pouring gasoline—not water—on the flame of inflation.

Virtually every spending bill that has come before the House in this session has been increased over last year's spending rate and yet there is the colossal gall to continue to sock the taxpayers. Instead of fiscal responsibility there is the resort to fiscal quackery. Why not spending reform? Or is it proposed to continue kidding the public?

In a related area, our common-use currency has been debased and debauched. A few days ago, the U.S. Government joined with Europe's international bankers to perpetrate a further debauchery—the issuance of paper gold. Time was when civilized nations settled their debts in dollars, pounds, and gold metal.

Henceforth all that will be necessary will be to oil up the printing presses, put some gold colored ink in the ink wells on the printing presses, feed in the paper and presto—there is the money—paper gold, billions of it.

Mr. Speaker, until there is a clear demonstration—and I do mean a clear demonstration—that the revenues from the surtax are not going to be hauled to Washington merely to provide for more spending, more debt, and deficit, I cannot and will not vote to continue the surtax.

Mr. COLMER. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. Sisk), a member of the Rules Committee.

Mr. SISK. Mr. Speaker, I rise in support of this resolution.

I join with my distinguished friend the chairman of the Committee on Rules in deploring the procedures we are faced with today. It would be my hope that there might be some method found,

either through legislative reorganization or some other approach, to avoid this all-too-frequent procedure whereby non-germane subject matter is added in the other body.

I think that the increasing frequency of this procedure is really becoming of great concern to most Members of this House. So, Mr. Speaker, I wish to raise my voice, along with that of the gentleman from Mississippi and others, in the hope that we might be able to develop some way to avoid this kind of procedure in the future.

Let me say that it would be my hope the House will proceed to pass this resolution today, since it is authorizing a 6 months' continuation of the surtax in the first place, and certainly it is my hope that we will proceed later this week to pass a good and meaningful tax reform bill and see if we cannot bring about a more equitable distribution of our tax load.

Mr. COLMER. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. WAGGONER).

Mr. WAGGONER. Mr. Speaker, a few moments ago my colleague from Louisiana (Mr. Boggs) spoke at some length and even then briefly about the so-called tax reform bill, H.R. 13270, which was introduced by the House Committee on Ways and Means Friday last. I hold here in my hand a copy of that proposal. I cannot help but note that this bill as printed contains 368 pages. Mr. Speaker, no Member of this House saw a full and complete copy, except that which was carried in the CONGRESSIONAL RECORD Friday, until today. As yet the only part of the report on this Tax Reform Act of 1969 is part I and it is 226 pages long. I understand that there are other parts to follow. How many I do not know, but probably only one other.

Mr. BOGGS. Mr. Speaker, will the gentleman yield to me?

Mr. WAGGONER. In just a moment.

I do not consider myself to be stupid or a brain, either. The House Committee on Ways and Means has been giving consideration to tax reform in one form or another for a period of years, not just since February of this year. I do not believe, in all seriousness, that the Members of this House can give the consideration to this legislation that it is due and then cast an intelligent vote and know how this affects them and the people of this country at the time that we are going to be called on to vote, Thursday night. This is considered to be the most extensive tax reform bill in history. I simply believe this House needs more time to see what this bill does.

I have made a supreme effort to learn what has been going on in the committee hearings and I have read every account which has been published, but as to the actual consequences of this legislation, there is little I know and little anyone not a member of the Ways and Means Committee knows.

I want to know what I am voting for or against. I want to know how this legislation will affect every man, every businessman, every housewife. This bill covers 27 areas of taxation and is, in my studied opinion, the most complex piece of legislation that has come before the House in several decades. I beg the House

to give us time to study this bill and its report. So far, we have been handed 594 pages of legislation and report, with even more to come. How can we possibly vote intelligently on this complicated measure on such short notice? Frankly, I believe the only reason we are being asked to rush this bill through is because there is serious doubt it would pass if we knew what was in it.

I am not interested in the snap judgment of some newsman who has probably had less contact with this legislation than I have had. I need time—we all need time—to study the details and the ramifications of this bill before we vote it up or down. I urge the leadership to give us that time.

Mr. BOGGS. Will my distinguished colleague yield to me?

Mr. WAGGONER. I am happy to yield to the gentleman.

Mr. BOGGS. I never like to suggest outside sources to the gentleman, but I would suggest that he read the following: The New York Times of yesterday has a complete résumé of all the reforms. The Wall Street Journal of this morning has a complete résumé, and the Congressional Quarterly has a complete résumé.

Mr. SYMINGTON. Mr. Speaker, I rise in support of the surtax for the remaining months of this year. Only a few weeks ago there was little prospect that broad tax reform, and some tax relief, would be forthcoming. Opposition to the surtax at that time effectively registered this concern, and reform legislation will now be considered at an early date: this week in the House, and shortly thereafter in the Senate. Today I will vote in favor of the 6-month extension to fight inflation. By combining it with reform and relief we can maintain the confidence of the taxpaying public, as well as the economists; we insure that our responsibility to the economy is matched by our responsibility to the middle-income taxpayer.

Mr. HORTON. Mr. Speaker, the question before us is whether to approve the temporary, 6-month extension of the income tax surcharge which the Senate approved last week.

At the end of June I opposed the full-year extension of the surtax because I felt that it would, without needed tax reforms, intensify tax inequities for middle-income Americans. During debate on the full-year extension, I stated that I would favor temporary extension of surcharge withholding rates for a few months—as many as it would require Congress to enact tax reforms with deliberate speed.

The disturbing fact about extending the surcharge is that it is applied to the present inequitable tax base. A month ago, there was little or no prospect that the tax structure would be improved even in calendar year 1970. All we had to go on was talk about tax reform. Some members of the Ways and Means Committee indicated that they did not expect action on reforms until the second session of this Congress. Further, I felt that if the 1-year extension of this surtax were adopted, it would have removed pressure for prompt action on reforms.

Several legislative developments have taken place in the past month. First, and most important, the Ways and Means

Committee, after months of concentrated deliberation, has reported to the House, a 368-page bill containing many meaningful reform provisions. That bill, H.R. 13270, is scheduled for debate and voting at the end of this week. Second, the Senate leadership has placed a priority on tax reform by refusing to enact the full-year surcharge extension as passed by the House. Senator MANSFIELD has indicated, however, that Senate consideration and debate of a tax reform bill would carry into late October of this year.

I concur in the administration's view that the Federal budget must be balanced and inflation curbed. I agree that the surcharge, while it is far from the only tool that is needed, is one weapon needed to assure a balanced budget. I believe that those of us who have placed a higher priority on reform than on the surcharge have won a very significant victory.

It is clear that there will be no full year extension of the surcharge until and unless we have action on a tax reform bill. The final 6-month extension, from January 1 to June 30, 1970, is attached to the reform bill itself. Further, it appears that it will take almost a 6-month temporary extension to continue the surtax during congressional deliberation on the tax reform bill. If the Senate majority leader's estimate is correct, it may be November before the President has a reform bill for signature.

I feel that the very close vote on the full-year surtax extension in the House, and the opposition to the extension in the Senate have precipitated significant action on essential tax reforms. We have some further assurance of success in enacting reforms because if this year closes without the enactment of a reform bill, it will also see the end of the surtax.

Therefore, I feel I can support an extension of the surcharge until December 31, with some assurance that meaningful tax reforms will be on the books before the year's end.

Mr. REID of New York. Mr. Speaker, when this House voted for a 12-month extension of the surtax on June 30, I said:

I feel most strongly that before final enactment of this legislation, there must be major tax reform, fair to all and to relieve the hard-pressed middle-income family, and I will oppose final enactment of the surtax unless tax reform is also passed.

For this reason, Mr. Speaker, I feel constrained to vote against the 6-month extension of the surtax today. I do not feel that there is sufficient assurance that we are going to get tax reform that will result in meaningful relief for middle-income families nor action to close serious, inequitable loopholes. I feel that I would be breaking faith with my constituents if I supported a final surtax extension before such reform is assured.

The distinguished gentleman from Arkansas (Mr. MILLS) and his colleagues on the Ways and Means Committee have reported out a tax reform bill which we will take up later this week and which contains improvements that have been long overdue. Yet I do not think that the small downward revision in the rate structure and the phased increase in the

standard deduction will really make a significant difference to the middle-income family with a mortgage, medical bills, school taxes, and children to send to college. A minimum tax on the wealthy and restrictions on the tax preferences they now enjoy provides symbolic relief to middle-income families, but actually does little to lower their tax payments.

While there appears to be agreement to report a tax reform bill to the Senate floor by October 31, it is far from clear that the Senate will act firmly to close several blatant loopholes, such as the oil-depletion allowance.

Indeed, the bill reported out of the Ways and Means Committee could be stronger on this and other sensitive issues, and the measure before us today has been stripped of tax relief for the poor and repeal of the 7-percent investment tax credit—although both provisions have been included in the omnibus reform bill.

Thus, as the New York Times commented this morning:

The unanswered question is whether the impulse for reform will be seriously blunted now that the surtax is no longer being held hostage by the liberal forces. . . . With an agreement on the surtax, there is now sure to be more backsliding in the face of pressure from the special interest lobbies.

There is much talk these days about what Americans in the heartland really want. I think that many Americans, in whatever section of the country they reside, want relief from an intolerable and unfair tax burden. I am not satisfied that that relief is assured, and, while there are sound fiscal and monetary reasons for extending the surtax, I cannot in good conscience vote for an additional tax burden on American wage earners at this time.

There are, to be sure, dangers in not enacting the surtax extension; but equally, there are dangers in not enacting major and meaningful tax reforms. The administration has had a number of months to work out a comprehensive and equitable plan with business, labor, and the financial community regarding the economy, including tax reform; continuing incentives for our competitive free enterprise system; spending controls on farm subsidies and the military-industrial complex; curbs on interest rates, provisions for dealing with the balance of payments, trade deficits, special drawing rights, and international liquidity; and other elements. I have indicated my willingness to vote for the surtax as an essential item in this picture to help control inflation, but not as the only item that is going to be acted on this year.

The surtax will not provide relief alone; nor will it alone control skyrocketing consumer prices. In short, there has just not been a timely and comprehensive approach to the problems of the economy, and I think it would be a disservice to the Nation to vote for the surtax when progress on other related economic questions is far from assured.

Mr. BINGHAM. Mr. Speaker, although it now appears that the House will have an opportunity to vote on a tax reform measure this week, it is not at all clear

whether the Senate will act on it at this session or what kind of bill the Senate will pass if it does consider tax reform.

It has been my consistent position that the 10-percent surcharge should not be extended without accompanying tax reforms which will give relief to low- and middle-income taxpayers and will at the same time close some of the loopholes that now enable many wealthy taxpayers to pay little or no income tax.

The fact that the Ways and Means Committee was able to report out a reform bill with considerable speed confirms my judgment that it is entirely feasible to enact tax reform and the surcharge extension in one package.

Since the bill before us leaves the question of tax reforms unsettled and since a package bill would be feasible, I shall vote "no."

Mr. VANIK. Mr. Speaker, today I will vote against the extension of the surtax. It has utterly failed in its promise to control inflation. On the contrary, it has served to fuel the fires of inflation.

It is said that the surtax is essential to hold down inflation. Well, it has not done very much in the past year. Prices have been moving upward ever since. None of our very expensive economic advisers have been able to claim that our current inflationary thrust is consumer-oriented. The average taxpayer, the consumer, has not overindulged. We are not in short supply of anything but money.

When we passed the surtax, it served to raise the price of everything. It became an add-on price. The manufacturer added on the surtax, labor added the surtax, the distributor added the surtax, and the merchant added the surtax. The extension of the surtax will continue to "heat up" the inflationary spiral. Not all of the increases have yet been made. There is more to come. A final round of utility price increases is still in the works. The utilities need the surtax to maintain their claim for higher rates.

When Congress passed out the surtax, we rolled up the prices of everything. The Federal Government can roll back prices by rolling back taxes which are a part of the price of everything we buy. We can lead the way by collecting less and spending less.

The President would like the surtax—and I do not blame him for changing his mind. By Treasury's own admission last May, the extension of the 10-percent surtax to December 31, 1969, and the repeal of the investment credit and the continuation of the excise tax on motor vehicles and telephone service would produce a unified budget surplus of \$4.3 billion. In view of the "surprise" 1969 surplus of \$3.2 billion, there is every reason to believe that the 1970 surplus with a December 31, 1969, termination of the surtax would substantially exceed \$5 billion.

Mr. RANDALL. Mr. Speaker, today as we come to another chapter in the extension of the income tax surcharge until December 31, 1969, we are engaging in what must be for the thoughtful bystander a mystifying and occult exercise.

If a visitor were to ask what was be-

ing considered by the House he would be told it was "H. Res. 509," which is an abbreviation for House Resolution 509. He would be told that the House was really considering the extension of the surtax. Our curious visitor would then ask and would receive a copy of the resolution and the report to accompany House Resolution 509.

Try as he would, our hypothetical observer would look in vain to find any reference in House Resolution 509 to a surtax. He would find instead that it provided for the adoption of H.R. 9551, which had to do with the collection of the Federal unemployment tax. He would ascertain the resolution contained exactly 12 lines on the first page and 2 lines on the second. Near the foot of page 1, at line 11, House Resolution 509 contained the words "and for other purposes, with the Senate amendment thereto, be, and the same is hereby taken from the Speaker's table to the end that the Senate amendment be and the same is hereby agreed to."

Then at this point, even a student of government who had studied something about how our laws are made would ask to see a copy of the report to accompany House Resolution 509, to try find out what the House was agreeing to. Our student would think, as he had been taught, that if there were some wording in the resolution which was not plain or clear, the best thing to do would be to read the report which would surely explain the purposes, the objectives, and all details about the measure under consideration.

Bear in mind our hypothetical visitor has been told that the House was considering an extension of the income surtax until December 31, 1969. When he finally obtains a copy of the report it is headed "Providing for Agreeing to the Senate Amendments to the Bill H.R. 9551," which he finds has to do with unemployment-compensation insurance and which contains exactly three lines as follows:

The Committee on Rules, having had under consideration House Resolution 509, reports the same to the House with the recommendation that the Resolution do pass.

Mr. Speaker, to suggest that we extend the surtax in this manner, is puzzling, is a masterpiece of understatement. It would seem that we are trying to involve ourselves in some kind of parliamentary mystery by which we deliberately set out to make the situation exceedingly difficult to understand. Could it be that we are trying to be occult? As I understand it, the definition of occult is something hidden from sight. I submit that House Resolution 509 and the report which accompanies it completely hides from sight any mention of the extension of the income tax surcharge. It is little wonder why one visitor today was heard to observe after reading both of these documents which were supposed to provide for the extension of the income tax surcharge:

This is beyond the scope of my understanding. It is a strange way to legislate.

Mr. Speaker, without the time to explain to every visitor how we run our

legislative railroad, House Resolution 509 should be defeated and the surtax should be ended. The surtax was sold to a reluctant Congress as the only effective way to halt inflation. The fact of the matter is, it has not even made a dent in inflation.

As we continue today the surtax in its full amount, we are in reality adding another tax increase. The reason is that the 1968 portion of the surtax amounted to only a 7½-percent tax on a tax because it was only for three-quarters of a year beginning on April 1, 1968. Extending it to cover the entire year of 1969 in essence amounts to a tax increase.

I was surprised at the comment by a well-known Washington newsletter, circulated privately to businessmen, which recently suggested that Congress had engaged in a display of irresponsibility because it had not passed the surtax for the full amount until mid-1970. Well, that is just one editor's view. In our country today there are an unlimited number of self-styled professional economists. In reality most of these persons are impractical, theoretical economists, lacking in practical economics and inexperienced in actual business management.

These are the theorists who have just finished telling us that the surtax is now beginning to take hold and that the economy is cooling off. The true facts are that there is abundant evidence to the contrary. Consumer installment credit rose by \$795 million in June of 1969, after having risen by \$846 million in May of 1969. The point should be emphasized that the June 1969 increase was \$79 million greater than the consumer credit increase for June 1968, one year earlier. Does that show that the economy is cooling off?

Instead, the surtax may be adding fuel to the fires of inflation. There is no doubt but that there has been some consumer income going to pay the 10-percent surtax. Yet consumer purchases have not been cooled. This would indicate that, instead of consumers having the cash to pay for these purchases, they are today actually borrowing the money to make the purchases at 9 percent or more.

It would seem that a strong case could be made that the real issue over the surtax extension is not control of inflation, as is so frequently argued, but what is really involved is the level of Federal spending. If Congress continues to spend whatever the tax system will raise, then a vote for the surtax is a vote to continue to increase the fraction of our resources which will be used by the Federal Government. Inflation in the private sector may come under some small control, but the real inflation is in Government spending. To continue to ask consumers to cut back spending and enacting a surtax to enforce that request means to provide the way for the Government to spend more than can be accommodated by previous revenue yields. As I pointed out, from the huge increase in consumer installment credit, it is the consumer that is paying the surtax—but is doing it by borrowing the money at 9 percent or more.

Mr. SMITH of California. Mr. Speaker, I yield 3 minutes to the distinguished minority leader, the gentleman from Michigan (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Speaker, on June 30 of this year, by a close vote of 210 to 205, the basic bill involving the surtax extension and phaseout and other provisions passed this body. Let me say at the outset that I pass no judgment on anyone's vote at any time, but it seems to me that at this final stage, where we are considering a portion of that bill, I would hope that each and every one of the 210 who are here today who voted for it June 30 would maintain their position. And, I would like to urge that at least some of those who voted in opposition—the 205—to reconsider and on this occasion vote for this extension.

Basically, on June 30, those who opposed were in three categories: those who traditionally in this body on both sides of the aisle who have voted to a greater extent than most of us against appropriations felt that since they were not responsible for the increases in expenditures, had no compulsion to vote for the extension and phasing out of the surtax legislation.

Then there were some who voted against it, and I really was never quite clear as to why, but at least they voted against it and contributed to the narrow margin of victory by which it was passed.

Then there was, I gather, a very substantial number among the 205 who in good conscience questioned whether there would be tax reform legislation before this body this year, or in the near future.

Well, let me say this, taking the last first. We have a tax reform bill here—368 pages—it is bona fide, it is legitimate good tax reform legislation and I intend to support it. I think we ought to pass it. It will be before us on Wednesday and Thursday of this week.

So, the action of the Committee on Ways and Means should have dispelled beyond any doubt those who questioned the fact as to whether there would be tax reform legislation pending before this body to consider and approve. So, those who had that reservation on June 30 ought to join us who voted for the surtax legislation.

Then, those who fell into that category of voting against the surtax by having some questions, perhaps, about expenditures. These, who have consistently voted against appropriations, can rationalize support today by endorsing the views of economists and financial experts who say this surtax extension is badly needed to save the economy from the brink. They ought to be persuaded at this late date that it would be catastrophic for us to turn it down.

The SPEAKER pro tempore. (Mr. FLYNT). The time of the gentleman from Michigan has expired.

Mr. SMITH of California. Mr. Speaker, I yield the gentleman 1 additional minute.

The SPEAKER pro tempore. The gentleman from Michigan is recognized for 1 additional minute.

Mr. GERALD R. FORD. And, then there are those who voted against the

tax bill on June 30 for reasons which in their mind might be good, who yet voted for example last week to add \$1 billion in expenditures to the fiscal year 1970 budget. However, I think they really ought to step up and bite the bullet. After all, if they are going to add \$1 billion to expenditures, they ought to be willing to help finance the extra cost of those vast expenditures.

For those reasons, Mr. Speaker, I strongly hope that we have a substantial vote for this legislation today.

Mr. SMITH of California. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin (Mr. BYRNES).

(Mr. BYRNES of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. BYRNES of Wisconsin. Mr. Speaker, as has been pointed out, we passed a bill to extend the surtax on June 30. In that bill, the surtax would be extended for the last 6 months of this year at a 10-percent rate, which amendment is now before us. That bill also contained other items.

Certainly there is much, it seems to me, that needs to be criticized in the way the other body has treated a most significant and most important piece of legislation sent to it by this body. The procedure of adding just one part of that legislation, taking one facet of that legislation and adding it to the unemployment compensation bill which we sent to the other body, leaves much to be desired. I do not believe, however, that there is anything to be gained at this time by rejecting that action.

I think we also have to recognize that if the business of this country is to proceed, then there must be comity between the two bodies. But I think it is appropriate, Mr. Speaker, at this time to say to the other body that at least as far as some of us are concerned, our patience is being worn rather thin with this failure on the part of the other body to recognize that this House has some rights.

Mr. Speaker, at the time this bill was before us in June many Members contended that they could not support a continuation of the surtax until there was tax reform. While I am not going to go into details at this time—and I do not believe that this is the appropriate time to discuss the reform package that was reported from the Committee on Ways and Means last week, and which will be before this House for consideration on Wednesday and Thursday of this week—I do think it must be said to those Members that you now have no excuse for voting against this limited continuation of the surtax on the basis that it has to be held hostage in order to obtain reform legislation. That reform legislation is before the House.

I think the committee, in reporting out the legislation, has confounded some of the skeptics who said it could not be done. Yet they have proved that it can be done.

I think we have reported a very substantial and meaningful bill to the House in a most difficult and a most

complicated matter. I think the House, when it goes into details next Wednesday and Thursday, will give it an overwhelming vote of support.

But, Mr. Speaker, in spite of the delays, in spite of the procedures that can be criticized, it is time that we act—and act positively—on this most important item that is an inherent ingredient to fighting the war against inflation.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. SMITH of California. Mr. Chairman, I yield 1 additional minute to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. Mr. Speaker, I thank the gentleman for yielding me the additional minute.

Mr. Speaker, I think some damage has already been done in our fight against inflation by the delays that have taken place, the psychological adverse effects of questioning "has Congress got the guts to do the things that are essential in this battle against inflation?"

There has been a wondering about our capability in that regard as a result of this delay. So let us today put an end to that speculation and show that certainly we, as Congressmen, have the fortitude to stand up and even do the hard things necessary in this battle against inflation by passing this legislation overwhelmingly today.

Mr. COLMER. Mr. Speaker, I yield the balance of my time to the very able gentleman, the gentleman from Arkansas (Mr. MILLS), chairman of the Committee on Ways and Means, to close debate.

Mr. MILLS. Mr. Speaker, I appreciate my friend, the gentleman from Mississippi, the chairman of the Committee on Rules, yielding this time so that I might discuss the matter presently before the House.

Mr. Speaker, as the membership will recall, on June 30 last, the House passed H.R. 1290, a bill making available additional revenues in the fiscal year 1970 of slightly over \$9 billion.

The matter before the House today involves a part of that revenue—that portion of the bill which has to do with the 10-percent surcharge for the last 6 months in the calendar year 1969.

There is nothing, in my opinion, for the House to do except to approve the Senate amendment. Why do I say that?

Mr. Speaker, last year, in spite of all that was done by the Congress to obtain better control of fiscal policy, consumer prices rose from April 1968 through May 1969 by 6.9 percentage points.

Mr. Speaker, I am convinced in my own mind that if we do not continue the 10-percent surcharge and pick up the \$5.6 billion of revenue which is involved in it for the last 6 months of this year, we may well be faced with price increases in the next 12-month period that exceed those in the period I have referred to.

Inflation is the same as a sales tax at the Federal level. It is the same as a sales tax increasing to 6.9 percent during this period.

Mr. Speaker, even if the bill we passed on June 30 were to be enacted without change, the administrative budget, or the Federal funds budget, for the fiscal year 1970 would still have a deficit of \$5.1 billion.

If no part of that bill were to be enacted—including this 10 percent for 6 months—that deficit would be \$14.3 billion.

We know that is too much of a deficit if we are to avoid a material increase in prices for the period ahead. There are those who have said that the enactment of the surcharge legislation last year had no effect. I want to dispute that, and if that is the feeling of any Member on the floor of the House, I hope I can dissuade them from that conclusion.

If you will look at the quarterly percentage increases both in the real gross national product, and in the GNP in current dollars, you will see that consistently in each quarter since the second quarter of 1968, when the surcharge was enacted, the percentage rate of increase in the GNP has declined. In the second quarter of 1968, in terms of real or constant dollars the increase was 7.2 percent. In each month since that time the percentage has declined until it reached the level of 2.3 percent in the second quarter of 1969, the latest period for which we have data. In terms of current dollars the percentage was 11.2 percent in the second quarter of 1968 and 7.2 percent in the second quarter of 1969.

A decline in the rate of increase in the GNP is one of the first and most reliable indicators of a slowing down in the economy.

Let me assure you that our action last year has had some effect as you can see from what I have said. But if we do not continue the surcharge now, I believe we will have lost the advantage we have already gained from having the surcharge in effect for this past year. I am firmly convinced that if we do not extend the surcharge now we will have put the taxpayers to the cost of this additional revenue for no purpose whatsoever. They will have lost all that has been gained as a result of the bill's enactment.

Let me emphasize again that the evidence indicates clearly that the surcharge has slowed down the inflationary push but if we—just as its effect is really beginning to be felt—do not continue the tax, we will have undone all of this. Then the only effect would be that we would have cost the taxpayers all of these dollars for no good purpose whatsoever. At the same time we would then be unleashing the type of inflation that existed in April, May, and June of 1968. That is something we do not want to have happen. That we do not want to have as a part of the American way of life.

Mr. Speaker, let me turn now to another point. I cannot see that there is any justifiable reason now for Members who did not see fit to vote for the bill on June 30 turning it down. I well understood the feeling on the part of many Members who wanted to combine action on the surcharge with tax reform. But

we have produced a tax-reform bill. It is here now, ready for House consideration. Under these circumstances, I do not, for the life of me, see how anyone who had that view could possibly have any further excuse for not voting for the bill. I cannot see how anyone would use that as an excuse for further opposition.

At this point, I insert in the RECORD two tables to which I have referred in my comments. One summarizes the budget situation and the other indicates the increase in the gross national product on a quarterly basis in the past 4 years:

BUDGET AND REVENUE ESTIMATES
BUDGET ESTIMATES FOR FISCAL YEARS 1969 AND 1970
[In billions of dollars]

	Re- ceipts	Outlays	Surplus (+) or deficit (-)
(a) Preliminary budget results for fiscal year 1969:			
Federal funds.....	143.3	148.6	-5.3
Trust funds.....	44.6	36.2	+8.4
Unified budget.....	187.8	184.8	+3.1
(b) Budget estimates for fiscal year 1970, assuming enactment of H.R. 12290:			
Federal funds.....	148.6	153.7	-5.1
Trust funds.....	57.5	47.1	+10.3
Unified budget.....	198.1	192.9	+5.2

QUARTERLY INCREASES IN GROSS NATIONAL PRODUCT IN CURRENT AND CONSTANT DOLLARS
[In billions of dollars; seasonally adjusted annual rates]

Period	Current dollars			Constant dollars (1958=100)			Increase in real GNP as a percentage of current GNP
	GNP	Change from preceding quarter Dollars	Percent ¹	GNP	Change from preceding quarter Dollars	Percent ¹	
1966:							
I.....	729.5			649.1			
II.....	743.3	13.8	7.56	655.0	5.9	3.64	42.75
III.....	755.9	12.6	6.80	660.2	5.2	3.16	41.27
IV.....	770.7	14.8	7.84	668.1	7.9	4.80	53.38
1967:							
I.....	774.2	3.5	1.80	666.5	-1.6	-.96	-31.37
II.....	783.5	9.3	4.80	670.5	4.0	2.40	43.01
III.....	800.4	16.9	8.60	678.0	7.5	4.48	44.38
IV.....	816.1	15.7	7.84	683.5	5.5	3.24	35.03
1968:							
I.....	835.3	19.2	9.40	693.3	9.8	5.72	51.04
II.....	858.7	23.4	11.20	705.8	12.5	7.20	53.42
III.....	876.4	17.7	8.24	712.8	7.0	3.96	39.54
IV.....	892.5	16.1	7.36	718.5	5.7	3.20	35.40
1969:							
I.....	908.7	16.2	7.28	723.1	4.6	2.56	28.39
II.....	925.1	16.4	7.20	727.3	4.2	2.32	25.60

¹ Quarterly increases expressed in annual rates; quarterly percentage increase is $\frac{1}{4}$ of annual rate of increase.

Mr. CORMAN. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from California.

Mr. CORMAN. Mr. Speaker, I voted against the bill, and I think many of us did the last time, because portions of it were prospective in two ways. It had to do with low-income allowance and with the surtax for 6 months after January 1. Both of those matters are now properly handled in the omnibus tax bill. I will vote for this measure, and I hope all Members who have had some misgivings about an omnibus bill coming out this year will vote for this 6-month extension. I hope it carries by an overwhelming vote.

Mr. MADDEN. Mr. Speaker, I offer a preferential motion. I move to strike the enacting clause.

The SPEAKER. The Chair will state that that is not a preferential motion.

Mr. MADDEN. Mr. Speaker, we are having a debate here on the rule. I think a member of the Rules Committee should have an opportunity at least to express for a few minutes his thoughts on the subject.

The SPEAKER. The Chair will state that control of the time, 1 hour, is in the hands of the gentleman from Mississippi. The Chair is informed that the gentleman from California (Mr. SMITH) has 5 minutes remaining.

Mr. MADDEN. Mr. Speaker, will the gentleman from California yield 2 minutes to me?

Mr. SMITH of California. I would be happy to yield time to the gentleman from Arkansas (Mr. MILLS). I yield 2 minutes to the gentleman from Arkansas.

The SPEAKER. The gentleman from Arkansas is recognized for 2 minutes.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Indiana for a question.

Mr. MADDEN. Mr. Speaker, the Members should be acquainted with the fact that, 1 year ago I voted against the 10-percent surtax legislation because if the fabulous and extravagant tax loopholes on big oil, big foundations, big real estate, and so forth, were repealed we could get about \$15 billion into the Federal Treasury. I will vote against it again on the theory that there is no tax reform bill enacted into law. I have in my hands an excerpt from the Indianapolis Star, issue of Saturday, August 2, and I refer to a United Press article entitled, "Some Tax Bill Portions Given OK." The Treasury Under Secretary Charles Walker and Edwin S. Cohen, Assistant Secretary, in a press conference expressed themselves as follows:

The proposal to impose a 7½ percent tax on foundations now exempt was "somewhat high."

They are going to present their case to the Senate Finance Committee when and if passed by the House of Representatives. The article continues:

They also expressed reservations over a proposal to limit deductions on farm losses—

Those are the farms where they hide millions in taxes, trick "playboy" farms, used by rich taxpayers for tax deductions—

saying, it should be tightened to make sure the wealthy could not escape taxes completely through this device.

Further they stated:

Proposed tax increases on banks, savings and loan associations and other financial institutions should be held up pending a study of all bank legislation.

The Assistant Secretary of the Treasury Charles Walker, and Edwin Cohen, Assistant Secretary, are going to present their case before the Senate Finance Committee. I am talking about the executive department. They are not for this Ways and Means Committee tax reform bill according to the executive department Treasury officials.

According to the article,

Walker said the Administration was developing a comprehensive proposal for Senate consideration on taxation of oil, natural gas and other mineral industries. He said the Administration has not decided whether to support the Ways and Means plan to reduce the oil depletion allowance from 27½ percent to 20 percent.

Here is the executive department of the administration opposed to this bill, according to the Under Secretary and according to Edwin S. Cohen, and that is a United Press dispatch from Indianapolis. So we have no tax reform bill before us at all until the executive department officials take their protest up with the Finance Committee of the other body.

Mr. MILLS. Has the gentleman asked his question?

Mr. MADDEN. You would think a tax reform bill had been passed already if you listen to the speeches here on the floor this afternoon. When the Senate Finance Committee completes its remodeling of this House bill our Members may reject it by an overwhelming vote.

The SPEAKER. The time of the gentleman from Arkansas has again expired.

Mr. SMITH of California. I yield the gentleman from Arkansas 1 additional minute.

The SPEAKER. The gentleman from Arkansas is recognized for 1 additional minute.

Mr. MILLS. Mr. Speaker, I want to correct the erroneous impression that my friend, the gentleman from Indiana, gathered from the newspaper account, because I have before me, and I will read it to the gentleman, who serves on the Rules Committee, a letter from the Secretary of the Treasury, dated August 4, 1969:

I would like to express to you the deep appreciation of the Treasury for your untiring efforts and your sterling leadership of the Committee on Ways and Means in the development of the Tax Reform Act of 1969.

We believe that the bill is a milestone in tax legislation and will be long remembered as a major advance in achieving an equitable tax structure.

While, of course, we have some reservations about some of the provisions in the bill and would plan to make some suggestions for revision in the progress of the bill in the Sen-

ate, we sincerely believe that, in general, the bill represents a major step forward in tax legislation and urge its prompt passage by the House of Representatives.

Along with Under Secretary Walker, Assistant Secretary Cohen, and our entire staff, I should like to thank you and the Committee for the kind and patient consideration that you have given to our presentations before the Committee. It has been a great privilege for all of us to work with the Committee in this common effort to improve the tax structure of the nation.

That is signed by the Secretary of the Treasury. He is for this legislation, have no doubt about that.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered. The SPEAKER. The question is on the resolution.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and on a division (demanded by Mr. Jacobs) there were—yeas 126, nays 61.

Mr. GROSS. Mr. Speaker, would the Speaker be good enough to repeat the result of the vote?

The SPEAKER. There were 126 Members voting in the affirmative and 61 in the negative.

Mr. JACOBS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Under count, evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 237, nays 170, not voting 25, as follows:

[Roll No. 136]
YEAS—237

Albert	Clausen	Griffiths
Alexander	Don H.	Grover
Anderson, Ill.	Cleveland	Gude
Anderson,	Collier	Hall
Tenn.	Collins	Halpern
Andrews,	Colmer	Hamilton
N. Dak.	Conable	Hammer-
Annunzio	Corbett	schmidt
Ashley	Corman	Hanna
Aspinall	Coughlin	Hansen, Idaho
Ayres	Cramer	Harvey
Beall, Md.	Cunningham	Hastings
Belcher	Daddario	Hawkins
Bell, Calif.	Davis, Wis.	Hébert
Betts	de la Garza	Heckler, Mass.
Bieber	Dellenback	Hogan
Blackburn	Denney	Horton
Boggs	Dennis	Hosmer
Boland	Derwinski	Hutchinson
Bolling	Devine	Joelson
Bow	Dickinson	Johnson, Pa.
Bray	Dorn	Jonas
Brook	Downing	Jones, Ala.
Brooks	Dwyer	Karth
Broomfield	Edwards, Ala.	Keith
Brotzman	Erlenborn	King
Brown, Mich.	Eshleman	Kleppe
Brown, Ohio	Evans, Colo.	Kluczynski
Broyhill, N.C.	Evins, Tenn.	Kuykendall
Broyhill, Va.	Fallon	Kyros
Buchanan	Findley	Landgrebe
Burke, Mass.	Fish	Langen
Burleson, Tex.	Fisher	Latta
Burton, Utah	Flynt	Lloyd
Bush	Foley	Lukens
Buttont	Ford, Gerald R.	McClory
Byrnes, Wis.	Fraser	McCloskey
Cabell	Frelinghuysen	McClure
Cahill	Frey	McCulloch
Camp	Friedel	McDade
Carter	Gallagher	McDonald,
Casey	Gialmo	Mich.
Cederberg	Goldwater	McEwen
Celler	Green, Oreg.	McFall
Chamberlain		

MacKneally	Poff	Stanton
MacGregor	Pollock	Steed
Mahon	Preyer, N.C.	Steiger, Ariz.
Mann	Price, Tex.	Steiger, Wis.
Marsh	Pryor, Ark.	Stratton
Martin	Purcell	Sullivan
Mathias	Quie	Symington
May	Quillen	Talcott
Mayne	Rallsback	Teague, Calif.
Miller, Calif.	Reid, Ill.	Teague, Tex.
Miller, Ohio	Reifel	Thompson, Ga.
Mills	Rhodes	Thomson, Wis.
Minshall	Rivers	Udall
Mize	Robison	Ullman
Mizell	Rogers, Fla.	Utt
Monagan	Ronan	Vander Jagt
Moorhead	Rooney, Pa.	Waggonner
Morse	Rostenkowski	Wampler
Morton	Roth	Watkins
Mosher	Ruppe	Watson
Murphy, Ill.	Ruth	Watts
Murphy, N.Y.	St. Onge	Whalen
Myers	Sandman	Whitehurst
Nedzi	Satterfield	Widnall
Nelsen	Schneebell	Wiggins
O'Hara	Schwengel	Williams
O'Konski	Sebelius	Wilson, Bob
O'Neill, Mass.	Shriver	Winn
Patman	Sikes	Wold
Pelly	Sisk	Wright
Pepper	Skubitz	Wyatt
Pettis	Smith, Calif.	Wyllie
Pickle	Smith, Iowa	Wyman
Pike	Smith, N.Y.	Young
Pirnie	Springer	Zwack
Poage	Stafford	

NAYS—170

Abblitt	Galifianakis	Moss
Abernethy	Garmatz	Natcher
Adair	Gaydos	Nichols
Adams	Gettys	Nix
Addabbo	Gibbons	Obeys
Anderson,	Gilbert	Olsen
Calif.	Gonzalez	O'Neal, Ga.
Andrews, Ala.	Goodling	Ottinger
Barrett	Gray	Passman
Bennett	Green, Pa.	Patten
Bevill	Griffin	Perkins
Biaggi	Gross	Philbin
Bingham	Hagan	Podell
Blanton	Haley	Price, Ill.
Blatnik	Hanley	Pucinski
Brademas	Hansen, Wash.	Randall
Brasco	Harsha	Rees
Brinkley	Hathaway	Reid, N.Y.
Burke, Fla.	Hays	Reuss
Burlison, Mo.	Hechler, W. Va.	Riegle
Burton, Calif.	Helstoski	Roberts
Byrne, Pa.	Henderson	Rodino
Caffery	Hicks	Rogers, Colo.
Chappell	Hollifield	Rooney, N.Y.
Chisholm	Howard	Rosenthal
Clancy	Hull	Roudebush
Clark	Hungate	Roybal
Clawson, Del.	Hunt	Ryan
Cohelan	Jacobs	St Germain
Conyers	Jarman	Schadeberg
Cowger	Johnson, Calif.	Scherle
Culver	Jones, N.C.	Scheuer
Daniel, Va.	Jones, Tenn.	Scott
Daniels, N.J.	Kastenmeier	Shipley
Davis, Ga.	Kazen	Slack
Dawson	Kee	Snyder
Delaney	Kyl	Staggers
Dent	Landrum	Stephens
Dingell	Leggett	Stokes
Donohue	Long, La.	Stubblefield
Dowdy	Long, Md.	Taylor
Dulski	Lowenstein	Thompson, N.J.
Duncan	Lujan	Tiernan
Eckhardt	McCarthy	Van Deerlin
Edmondson	McMillan	Vanik
Edwards, La.	Macdonald,	Vigorito
Ellberg	Mass.	Waldie
Farbstein	Madden	Weicker
Feighan	Matsunaga	White
Flood	Meeds	Whitten
Flowers	Melcher	Wilson,
Ford	Meslik	Charles H.
William D.	Michel	Wolf
Foreman	Minish	Wylder
Fountain	Mink	Yates
Fulton, Pa.	Mollohan	Yatron
Fulton, Tenn.	Montgomery	Zablocki
Fuqua	Morgan	Zion

NOT VOTING—25

Arends	Edwards, Calif.	Powell
Ashbrook	Fascell	Rarick
Baring	Gubser	Saylor
Berry	Ichord	Stuckey
Brown, Calif.	Kirwan	Taft
Carey	Lennon	Tunney
Clay	Lipscomb	Whalley
Conte	Mailliard	
Diggs	Mikva	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Arends for, with Mr. Brown of California against.
Mr. Conte for, with Mr. Stuckey against.
Mr. Berry for, with Mr. Saylor against.
Mr. Taft for, with Mr. Diggs against.
Mr. Gubser for, with Mr. Baring against.

Until further notice:

Mr. Kirwan with Mr. Lipscomb.
Mr. Carey with Mr. Mailliard.
Mr. Edwards of California with Mr. Ashbrook.
Mr. Lennon with Mr. Tunney.
Mr. Mikva with Mr. Clay.
Mr. Fascell with Mr. Ichord.

Mr. GARMATZ and Mr. DULSKI changed their votes from "yea" to "nay."

Mr. FISHER changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on House Resolution 509, just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

FLORISSANT FOSSIL BEDS NATIONAL MONUMENT, COLO.

Mr. ASPINALL. Mr. Speaker, I move to suspend the rules and pass the bill (S. 912) to provide for the establishment of the Florissant Fossil Beds National Monument in the State of Colorado, as amended.

The Clerk read the bill as follows:

S. 912

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in order to preserve and interpret for the benefit and enjoyment of present and future generations the excellently preserved insect and leaf fossils and related geologic sites and objects at the Florissant lakebeds, the Secretary of the Interior may acquire by donation, purchase with donated or appropriated funds, or exchange such land and interests in land in Teller County, Colorado, as he may designate from the lands shown on the map entitled "Proposed Florissant Fossil Beds National Monument," numbered NM-FFB-7100, and dated March 1967, and more particularly described by metes and bounds in an attachment to that map, not exceeding, however, six thousand acres thereof, for the purpose of establishing the Florissant Fossil Beds National Monument.

SEC. 2. The Secretary of the Interior shall administer the property acquired pursuant to section 1 of this Act as the Florissant Fossil Beds National Monument in accordance with the Act entitled "An Act to establish a National Park Service, and for other purposes," approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 et seq.), as amended and supplemented.

SEC. 3. There are authorized to be appropriated such sums, but not more than \$3,727,000, as may be necessary for the ac-

quisition of lands and interests in land for the Florissant Fossil Beds National Monument and for necessary development expenses in connection therewith.

The SPEAKER. Is a second demanded?

Mr. KYL. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. ASPINALL. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in support of S. 912, as amended by the Committee on Interior and Insular Affairs.

As most Members of the House will recall, we considered and approved legislation authorizing the establishment of the Florissant Fossil Beds National Monument during the 90th Congress. That legislation had the same objectives as S. 912, but it differed in one significant respect—that is, it authorized the acquisition of 1,000 acres of land within a designated area of 6,000 acres; whereas, S. 912 authorizes the acquisition of the entire 6,000-acre area. I might say at this point that the 6,000-acre national monument had the support of both the current and the past administrations. The committee was advised that, in the judgment of the National Park Service, 6,000 acres is viewed as the minimum amount of land necessary to adequately accommodate visitors and, at the same time, achieve the preservation objectives of the area. We were told that a thousand acres just would not achieve the objectives set forth in the legislation.

Because of the alteration in the size of the proposed national monument, of course, land acquisition costs are necessarily higher under S. 912. It is anticipated that \$1,165,000 will be needed to acquire fee title to all of the lands involved. In addition, development of the area with appropriate visitor facilities, headquarters, tour roads, trails and overlooks, and so forth, would total \$2,562,000. The bill explicitly limits the amount authorized to be appropriated to \$3,727,000.

It is generally agreed that, if we are to have a national monument in this area, action is urgent. Acquisition of the lands is essential if they are not to be severely damaged by adverse activities which threaten the disruption of a significant portion of the proposed monument. While acquisition should be accomplished with dispatch, it is conceded that development, if necessary, could be deferred until funds could be made available.

This area is important scientifically. Everyone who testified agreed that the ancient Florissant lakebed is one of the uncommon areas of the world where the story of ancient times can be read through fossilized remains of leaves and flowers and sequoia stumps, as well as through insects and fish and small animals. It is said that the values of Florissant are not found in such quality and quantity at any other place in the United States. In fact, only one other known location in the world—in Europe—is said to be of comparable quality.

Except for comparatively minor im-

provements, Mr. Speaker, the Florissant Fossil Beds area has been altered very little by existing or previous users of these lands. What some have feared, however, now seems about to happen. Unsympathetic developers have gained an interest in the area and they threaten to cut roads and subdivide the lands under their control. Hopefully, they will not thwart the public desire to establish a national monument at this location by arrogantly proceeding without regard to our action on this measure. Every possible appeal has been made by those in Congress to forestall the destruction of these values and every effort has been made to expedite the consideration of this legislation. This extraordinary action would not be necessary, but for the danger we see for the area we seek to protect.

In conclusion, Mr. Speaker, I want to say that in spite of all of the apparent haste to secure action on this legislation, it has been thoroughly reviewed and considered. Public hearings were held in the 90th Congress, and again this year, by your committee. In addition, hearings were conducted in the field by the other body. I understand that all who testified, favored enactment of this legislation. Both a Democratic and a Republican administration have supported it; the State of Colorado recommends it; the local Congressman, Hon. FRANK EVANS, wants it; the county commissioners for the county involved favor it; and many learned individuals and professional and scientific organizations endorse it.

In light of all these facts, Mr. Speaker, as chairman of the Interior and Insular Affairs Committee, I recommend enactment of S. 912.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

What is the value of this land for grazing purposes?

Mr. ASPINALL. What is the value of this land for grazing purposes?

Mr. GROSS. Yes, what is the land worth for agricultural purposes of any kind?

Mr. ASPINALL. Land is worth only so much for any of the purposes which the market will bear as of the time. At the present time, if it is going to be used for grazing it is not as important as it would be if it were going to be used for development. As my friend knows, these lands are being moved into at the present time, to be used as land for the purpose of building homes. That increases the value tremendously over what they would be used for if they continued to be used just for grazing purposes. So when we get into the question of purchasing these lands we made the statement they would have a cost for the land of about \$1,165,000.

Mr. GROSS. That makes it worth about \$200 an acre; is that correct?

The SPEAKER pro tempore (Mr. RIVERS). The time of the gentleman from Colorado has expired.

Mr. KYL. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, for millions of years during the Upper Cretaceous Age, most of what is now Colorado lay beneath the waters of a great inland sea. About 60 million years ago, as this period ended, the seas retreated and the continent rose. Profound movements within the earth's crust resulted in uplift of lofty and widespread mountains throughout the West. Then, for the next 10 million years or so, erosion attacked these early, lofty Colorado Rockies. Rock debris eroded from their flanks was carried eastward to the lowlands, and deposited widely for hundreds of miles by through-flowing streams—ancestors of today's Platte and Arkansas Rivers. These deposits, now exposed in the High Plains, make up the formations which are so well known for their richness in mammal fossils.

By Oligocene time, the mountains had been reduced generally to an upland, some of it almost a plain, but mainly a broad, gently rolling hill-land, possibly somewhat like our modern Ozarks. The upland still rose high enough to intercept warm, saturated air masses from the south and west, with consequent mild, moist climate and a rich vegetative response to these bland conditions. The rolling slopes were mantled by many types of deciduous trees and immense sequoia grooves. Small lakes occupied depressions here and there in the eastern margin of this ancient upland. Probably there were many such lakes, but evidences of only a few survive. The present Florissant area possesses such evidence. From a fortuitous constellation of circumstances, the area adjacent to this particular Oligocene lake experienced little disturbance by the innumerable subsequent uplifts and rock disturbances; and mud and silt deposits accumulating in the lake bottom may well have finally silted up the lake completely nearly 35 million years ago. But this alone does not make the area unusual. A far more spectacular geological process—volcanic eruption nearby—gave the Florissant area its unique fame.

Then, violent geologic processes began. Volcanic eruptions, undoubtedly accompanied by severe earthquakes, began as a precursor of renewed mountainmaking. Molten lava welled up from deep within the earth and piled up as a volcano, probably located only some 15 to 20 miles away from the lake. Eruptions were probably short—perhaps a week or so in duration—but violent; and they continued periodically over many thousands of years. Tremendous explosions of pulverized rock occurred, filling the air with dense clouds of dust and fine particles of volcanic ash. Swept forward by the prevailing wind, these great ash clouds rained down upon the lake and its forested shores. Much of the ash which fell into the lake carried flying insects to the bottom with it. And, too, as it brushed or pelleted against foliage in descending, it carried into the lake a wealth of leaves and a great number of insects which were feeding upon the lakeshore vegetation. Quickly buried and sealed off from the air, these remains did not decay. As ash fall followed ash fall, layer upon layer of paper-thin shale accumulated in the

lake bottom. Such insect life and plant foliage as were carried down became pressed and sealed within these deposits.

The ash fell on the ground near the lake accumulated to moderate depth, but each heavy rainstorm quickly washed much of it into the lake, where it spread out as layers of silt. Such ash and mud flows occasionally buried the bases of standing trees on the lake margin. This killed them, but also, by burial, saved them from decay. Later, mineral solutions in ground water filtered through the mud and the buried stumps to silicify and preserve them. These are now exposed as the great stumps which make up the area's "petrified forests."

These ancient events have been well described by Prof. T. D. A. Cockerell in his 1920 "Textbook of Zoology":

Around the lake were active volcanoes, which sometimes threw out very finely divided ash, sometimes liquid mud . . . At times of eruption there were, no doubt, violent gusts of wind and poisonous gases, while hot cinders fell here and there and set fire to the forests. Thus leaves and even branches were torn from the trees, and charcoal may still be found to testify to the forests fires. Insects and other creatures were killed and fell into the shallow water of the lake, where they were presently covered by deposits of the finest ash, falling gently from above. Thus the various remains were hidden beneath successive layers of volcanic material and when a mass of lava flowed over the whole, its weight pressed the wet ash down, and in course of time converted it into hard shale. What had been the life of the locality now crushed flat, was hermetically sealed between the layers. . . .

How long these dramatic processes continued is unknown, but they eventually ended, and within a few million years, the old upland was elevated again thousands of feet into another lofty mountain range. In this process the lake basin was slightly tilted, and its waters drained to the north leaving the lake-bed dry.

Erosion once more began to plane away the "second generation" mountains. The drained lake basin, however, was not appreciably affected by these later events. It still remains shaped somewhat like its Oligocene counterpart, the existing streams which drain it having eroded away but a portion of the lake sediments. However, the former lake-shore vegetation has now been replaced by a coniferous forest; and the blue waters of the former lake by a basin surfaced with light-colored, paper-thin shale carpeted with grass. Although now consolidated to soft rock, the shale is clearly the modern counterpart of those repeated rains of volcanic ash, which entombed much tree foliage, untold thousands of insects, many thin-shelled fresh-water mollusks, and randomly scattered fragmentary bones of small vertebrate animals.

Here and there, stone tree stumps rise from the pits dug to expose them. They are silent monuments to and remnants of the forests which once bordered the lake but which were killed and buried by floods and mudflows, long since ended.

ANCIENT LIFE

The rare quality of the Florissant site lies not in dramatic exposures of big-

boned creatures, but rather in the delicacy with which thousands of fragile insects, tree foliage, and other forms of life—completely absent, or extremely rare in most paleontological sites of this period—have been preserved. The fossils at Florissant are individually quite small, but in the aggregate are tremendous. Few fossil sites in the world have yielded some 60,000 specimens of over 1,000 different species of life. In addition to this vast number of individual fossil specimens, is the remarkable way in which the fine-grained ash has preserved, in minute detail, delicate features of the innumerable specimens sealed within the layers of shale.

Almost all the fossil butterflies of the new world have come from this one site. An interesting occurrence of four species of *Glossina*—tse-tse flies—have given some paleontologists a possible cause for the extinction of certain tertiary mammals. Frank M. Carpenter, professor of entomology and curator of fossil insects at the Museum of Comparative Zoology, Harvard University, makes the statement—USDA Yearbook, 1952, page 14—that fossil insects have been collected at nearly 150 localities in various parts of the world, but about 90 percent have been collected at 12 of these deposits. He estimates the number of specimens collected from the richest deposits are 150,000 from the Baltic amber; 60,000 from Florissant; 10,000 from the Elmo limestone in eastern Kansas; and 1,500 from Commetary, France.

Dr. H. B. MacGinitie, in his monograph, "Fossil Plants of the Florissant Beds, Colorado"—Carnegie Institute of Washington, publication 599, 1953—describes 114 species of leaf fossils.

The Florissant site is not restricted entirely to vast numbers of small fossils. The petrified tree stumps are impressive to all who see them because of their considerable bulk and silent, mysterious presence. These giant stumps—buried and preserved by volcanic ash mudflows—are very striking examples of fossilization of vegetable material. Preserved exactly where they were rooted and growing, they approach the ideal of a "petrified forest" more than do the great prostrate logs of Petrified Forest National Monument in Arizona.

Harry Andrews—"Ancient Plants and the World They Lived In," 1947—in speaking of the degree of petrification of the stumps at Florissant says:

In [some] specimens a great deal of the organic tissue may be found intact after millions of years. In the huge petrified stump . . . most of the wood is well preserved as it was the day it last saw light as a living sequoia. . . . Fragments of this wood may be soaked in hydrofluoric acid for a few days to dissolve the silica. This leaves the wood itself free of the petrifying mineral and it may then be cut just as living wood samples are preserved for microscopic study.

Most of the foliage associated with the petrified stumps is suggestive of the coastal redwood of California—*Sequoia sempervirens*. However, since it differs from the living species in California, the fossil wood has been named *Sequoioloxylon pearsallii* and the fossil foliage *Sequoia affinis*.

Other trees represented by fossil wood and leaves found here are pine and several deciduous species such as walnut, beech, willow, oak and maple.

Ranking below the fossil insects and leaves in numbers of specimens found here are thin-shelled mollusks and fresh-water fishes. As many as eight species and four genera of the latter have been found. Several bird feathers and a few bird carcasses have been found.

Sufficient samples of insect life have been already collected to suggest that few new species are likely to be found. However, there is no reason not to anticipate discovery of fragmentary remains, at least, of undescribed genera of birds, snakes, rodents, fish, and other small vertebrates, which may have inhabited the Oligocene uplands—the sources of streams which laid down the plains formations to the east which are so rich in large Oligocene mammal fossils.

During the Oligocene epoch, the Florissant upland surely was populated by many of the same great beasts whose fossil bones are found in abundance at Badlands National Monument and other noted sites of this age in the plains to the east. Conditions simply were unfavorable for preservation of carcasses of such of these creatures as may have died near the lake. However, fossils of an ancient opossum—*Peratherium*—and parts of an oreodont and a primitive horse have been found in the beds.

Now, Mr. Speaker, I should like to respond to my colleague from Iowa.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. RIVERS). Evidently a quorum is not present.

Mr. KLUCZYNSKI. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 137]

Arends	Foley	Powell
Ashbrook	Fulton, Tenn.	Preyer, N.C.
Ashley	Gibbons	Purcell
Baring	Gubser	Rarick
Berry	Harsha	Reid, N.Y.
Brown, Calif.	Hull	Riegler
Burton, Calif.	Ichord	Rosenthal
Carey	Kirwan	St. Onge
Clark	Kuykendall	Saylor
Clay	Kyros	Scheuer
Conte	Lennon	Smith, Calif.
Corman	Lipscomb	Stuckey
Daniels, N.J.	McCloskey	Taft
Dent	McCulloch	Tierman
Diggs	Mailliard	Tunney
Edwards, Ala.	Martin	Whalley
Edwards, Calif.	Mikva	Widnall
Evins, Tenn.	Ottlinger	
Fascell	Patman	

The SPEAKER pro tempore. On this rollcall 377 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FLORISSANT FOSSIL BEDS NATIONAL MONUMENT, COLO.

The SPEAKER pro tempore. The gentleman from Iowa is recognized.

Mr. KYL. Mr. Speaker, when the absence of a quorum was suggested, the question had been raised concerning the value of land which would be purchased under this bill. That land has been used, except for a small area, for grazing, until recently, and it had the value of other grazing lands. Then suddenly a developer bought the land, drew up the plans for residential development, for streets and utilities and all the rest that is necessary in a residential area, and brought in bulldozers. Immediately that pastureland became residential land.

The people of this area, in an attempt to save the primary value, got an injunction to stop development. That injunction has now lapsed. The bill comes before the House today so that we might stop any further action in this area which might destroy the real value.

About \$2.5 million in this bill is for development. That cost can be postponed. The urgent thing now is to purchase this land.

Every single member of the committee resents the escalation in value of lands which are projected for park purposes or for preservation just as much as any Member who is not on this committee, but it is a fact of life that as soon as any area is suggested for inclusion in any kind of preservation, the value skyrockets. It happens almost without exception. As long as this land was used for pastureland, the values were not destroyed, because there is an overburden over the fossils and the other things we want to save. But when the bulldozer comes in, that is an entirely different matter.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding. What will be the situation when 6,000 acres are taken off the tax rolls in this country? Will the county commissioners of this county in Colorado be in asking for impacted school aid and other aid to make up the deficit in taxes from that land?

Mr. KYL. I can respond directly to the gentleman in this fashion. The county board and all other local governmental subdivisions are highly in favor of this protection and of taking this land off the tax rolls. It is felt there will be sufficient economic development associated with the visitation of the area to more than pay for the removal of these lands from the tax rolls.

Mr. GROSS. But not enough to compensate for the county turning over to the Federal Government the land without \$1,165,000 being expended by the Federal Government for the acquisition of it. Is that correct?

Mr. KYL. I would repeat that the local governmental subdivisions are satisfied with the arrangement so far as the taxes and finances are concerned, and I have tried to explain why the land is as high priced as it is.

At this point I will yield to the gentleman from Colorado (Mr. EVANS) for a further explanation as to why the land value is so high.

Mr. EVANS of Colorado. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, this is in my district, and it is in the area of the old gold mining fields of Cripple Creek and Victor.

I can inform the gentlemen from Ohio that it is a depressed area and has been for many years. The number of children here is very small. Economic development has been almost at a standstill since gold mining became uneconomical.

The county commissioners and the members of the city council from the town in Florissant, which is very near, all are in agreement that this really must be done.

This is not so much for what it will or will not do economically for the area, but more out of the desperate hope that this area can be preserved. In fact, I believe there is only one other place in the world we know about which has fossil collections such as this which might be preserved for the future.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Iowa.

Mr. GROSS. I note the very brief letter from the Bureau of the Budget, which says absolutely nothing. What is the position of the Bureau of the Budget with respect to the merit or demerit of this project?

Mr. KYL. The Bureau of the Budget apparently abides by its statement that there was no objection to the presentation of the report by the Interior Department; that they would not make any further statement regarding the project.

Mr. GROSS. The letter says:

The Bureau of the Budget does not plan to submit separate views to the committee on H.R. 5953, and H.R. 6223, to provide for the establishment . . . of this monument.

And that is just about all of it. What is its position?

Mr. KYL. Again I would have to say that the only response we have from the Bureau of the Budget is that there is no objection to the submission of the favorable report.

Mr. GROSS. Ordinarily that is stated by the Bureau of the Budget in its letter which accompanies the report, but it is not stated in this letter.

Mr. KYL. I would have much preferred to have the letter stating the exact position of the Bureau of the Budget, but it was not forthcoming.

Mr. GROSS. I hope that we will not be suddenly informed that the picture of Federal participation in this project has changed, as it was in the Padre Island business and some other similar deals that have come before the House of Representatives.

Mr. KYL. I would say again, I share the gentleman's hope, and I can tell him every member of the committee will try to see that does not happen.

Mr. GROSS. I know. The committee tried to see that would not happen on the Padre Island deal, but it did.

Mr. KYL. In the case of the Padre Island project, the land owners requested a certain amount of money, and when they went through condemnation the

jury decided the land was worth far more than the owners said it was worth.

I just want to take a couple of minutes more to explain why we want to save this spot.

There is only one other spot in the world similar to this. It is very important scientifically from a geologic standpoint.

Here one can see what happened in the Western United States as it was formed. Until about 60 million years ago in the upper cretaceous period this whole area was covered by an inland sea. Following the period when the sea receded we had the general upheaval in the area which created the early Rocky Mountains of the area. Then for perhaps 10 million years the hills were worn down, great plains were developed, and the area probably was, at the time our story of the fossils begins, an area much like we have in the Ozarks today.

Now, it was at this time that there was an ecology in this particular area around the lake which had cast a number of living specimens. There have been 60,000 separate specimens cataloged from this area. These are entomological and botanical, and mammalia are there.

Then all of a sudden, with the pyroclastic conditions, the volcanic eruptions, there was here preserved for all time, almost as though it had been canned up for 30 million years, this entire area. We have the whole ecology sealed off and, because almost all of the specimens located here still exist almost in the same form, it is possible for scientists to determine what kind of climate and ecology existed here. So, from a geological standpoint, from an entomological standpoint, a botanical and paleological standpoint, this is a most significant scientific area for study.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. KYL. Yes. I yield to the gentleman from Iowa.

Mr. GROSS. Do I understand that a real estate developer has moved on some part of the tract which is proposed to be taken over?

Mr. KYL. Your understanding is correct.

Mr. GROSS. How far is this from a populated center?

Mr. KYL. I would relay this question to the gentleman from Colorado (Mr. EVANS), who will be able to tell you exactly.

Mr. EVANS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. KYL. Yes. I yield to the gentleman.

Mr. EVANS of Colorado. It is about 35 miles from the city of Colorado Springs, Colo., west and northwest, in a mountainous area.

Mr. GROSS. What would cause people to travel 35 miles over mountainous terrain to work in Colorado Springs and live in this place?

Mr. EVANS of Colorado. Again, if the gentleman will yield—

Mr. KYL. I yield to the gentleman.

Mr. EVANS of Colorado. I thank the gentleman for yielding.

The area of Colorado Springs is the

sixth or the seventh fastest growing area in the entire United States. It has had, since its early development in the 1850's and 1860's, a wide national reputation not only as a health center, but these areas of which I am speaking and the areas mined for gold where some of the most historical spots and some of the most popularly visited spots in the entire United States exist. There is traffic in there now, I am proud to inform the gentleman.

Mr. GROSS. Has the real estate developer started a residential development in this area in order to push up land prices on the Federal Government? Is that the story? I cannot believe that people from Colorado Springs would drive 35 miles over the high mountains when there must be land subject to residential development much closer to Colorado Springs.

Mr. KYL. First of all, let me respond to the gentleman in this way: In specifying the values of this area I did not speak of the recreation, which is of value, and also of the beauty of the area. This is a very beautiful area. It is an attractive area. There, as in Washington, D.C., New York City, or Waterloo, Iowa, people like to move from the city out to the country, to a beautiful spot. It is an ideal residential area. And 35 miles today is not a great distance to travel to work.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. May I say to the gentleman from Iowa (Mr. GROSS), that we have a very large number of mountains in the State of Colorado where people are anxious and glad to come and have either summer homes or have built permanent residences. As the gentleman from Colorado pointed out, we have had a tremendous amount of growth and development in those mountains. It is not unusual that areas of this type should be developed, and in this particular instance the people that the States recognized—and, of course, they knew they were there—were glad to build homes there. This area was used by scientists and determined these beds be preserved. There is a possibility that these beds would be destroyed if we did not take action today.

Mr. KYL. I would like further to respond to the gentleman's question by saying that I am not going to claim that the owner of this land projected the development so that he could peg the prices, because it is quite obvious that if he went ahead with his whole development plans, he would reap greater profit than if he simply held that land for the Government. But at the same time I would have to repeat to my colleague that every time the Federal Government proposes to buy anything anywhere in the country the value of that land almost without exception escalates immediately and unreasonably.

Mr. BROTZMAN. Mr. Speaker, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Colorado.

Mr. BROTZMAN. I thank the gentleman for yielding.

With respect to the evaluation, as I read S. 912, it does provide that the land may be acquired by condemnation through court procedures and as no doubt the gentleman from Iowa (Mr. GROSS) knows and the Members of the House know, when you condemn land the value of that land is determined by a jury based upon expert testimony as to what the reasonable value of that particular property is. So, I would point out that while the authorization does, as the gentleman from Iowa says, provide for an authorization of, I think, \$1,165,000, the actual evaluation per acre will be determined in a court of law, if it is not handled through private negotiations.

Mr. KYL. Mr. Speaker, I yield 4 minutes to the gentleman from Colorado (Mr. BROTZMAN).

Mr. BROTZMAN. Mr. Speaker, we have before us today a bill which will prevent the destruction of one of America's great natural treasures.

The Florissant fossil beds located near Pikes Peak in Colorado are considered one of the world's largest and richest deposits of terrestrial fossils. They have yielded more preserved specimens of Oligocene period life—age of mammals, Tertiary—than any fossil beds in the world, with the exception of the Baltic Amber site behind the Iron Curtain.

Researchers from around the world have been studying the Florissant since its discovery in 1877. Teams from the British Museum, the American Museum of Natural History, the University of California, Princeton University, and many others have worked here and uncovered 114 prehistoric plant species and over 900 species of insects.

The fossil-bearing shales range in thickness from 50 feet to a fragile 32d of an inch. They contain examples of the whole range of plant life from microscopic pollen specimens to massive petrified redwood stumps up to 10 feet in diameter.

But ironically even though this priceless window into the Oligocene period has lain undisturbed for 34 million years now, its destruction could come this very afternoon.

Florissant is located only 35 miles west of Colorado Springs, a major city which is enjoying the greatest building boom in its history. The fossil beds lie on private land, and nearly a third of the proposed monument is slated for immediate subdivision.

Early in July a coalition of citizen groups, fighting to preserve Florissant, won a temporary restraining order against a major Colorado Springs developer which plans to build A-frame vacation cabins on the site, prompting the remark "to build A-frames on this singular, national resource would be like wrapping fish in the Dead Sea Scrolls." That order has expired and the builder has announced plans to bulldoze his access road through the fossil beds today.

In light of the clear and present danger to this unique open-air museum, the House Interior Committee, at the direc-

tion of my distinguished colleague (Mr. ASPINALL) agreed to seek a suspension of the rules to bring this bill, S. 912, to create the Florissant Fossil Beds National Monument before the House.

The bill would preserve 6,000 acres which contain each of the significant types of fossilization in its natural setting. It would encompass the southern arm of the Florissant lake which is relatively undamaged by erosion and curiosity seekers. It provides only for the purchase of land and development expenses, and authorizes an appropriation of \$3,727,000 for this purpose. Developments planned by the National Park Service include a visitor's center containing a museum and administrative offices; interpretive trails, and wayside exhibits detailing the area's scientific history.

As my colleagues may recall, a similar bill was passed by the House late in the last Congress but failed to pass the Senate due to adjournment. This year the Senate held field hearings in Colorado Springs and quickly passed the bill now before us.

This bill has the wholehearted support of the Department of Interior, Colorado County, and State officials, citizen conservation groups, members of the scientific community led by Dr. Bettie Willard and Dr. Estella Leopold, and literally thousands of concerned individuals, indicating, I think, how the American people, as a group, feel about Florissant.

Mr. Speaker, I would urge my colleagues to take this opportunity to prevent the destruction of a national treasure. Preserving the Florissant today will be relatively easy, but even 24 hours from now it may be futile.

Mr. Speaker, I shall not use all of my time except to sum up the argument this way:

I can say with reference to this property, No. 1, that it has been clearly established that the scientific world believes there is a great need to preserve this particular resource. That has been brought to the attention of the House upon two occasions, because we have passed this bill in, roughly, this form at the last session.

Second, I think that the gentleman from Iowa (Mr. KYL) has carefully articulated the sense of urgency confronting us today and that is if we do not act upon this particular occasion then, of course, the temporary restraining order will expire and the developer will be free to proceed.

So, I would ask you to consider carefully the merits of this particular bill and I would ask for your support not only because of the scientific involvement but also because I think that you and your constituents across this country will enjoy seeing this rich treasure trove.

Mr. ASPINALL. Mr. Speaker, I yield 5 minutes to the distinguished chairman of the subcommittee which handled this legislation, the gentleman from North Carolina (Mr. TAYLOR).

Mr. TAYLOR. Mr. Speaker, S. 912 and a companion House bill introduced by our colleague from Colorado (Mr. EVANS) are comparable to legislation which the House passed last year but was not acted on by the Senate. Of course, this year the

Senate has passed S. 912, which is before us.

Last year the House Committee on Interior and Insular Affairs and the House passed a bill which authorized the acquisition of 1,000 acres for the purposes of this monument. Members of the House Subcommittee on National Parks and Recreation and members of the House Interior Committee were convinced this year that the full 6,000 acres should be preserved. The evidence was much stronger, showing a need for the full amount. In fact, it was pointed out that the 6,000 acre figure is a compromise, as there are 12,000 acres in the entire Florissant area. It also was pointed out that a reduction in the acreage would provide only small savings, as the major cost is development. All witnesses who knew the area, including Congressmen—and this bill has bipartisan support—and including scientists and representatives of the National Park Service, emphasized that it is better to acquire the 6,000 acres now and postpone development until later but that we should get the land now.

Last year we had doubts that the area which had been preserved as grazing land so long with the valuable fossil deposits just below the surface was really threatened by destruction from home-builders, but a new peril has arisen. A contract was recorded recently for the sale of 1,800 acres, nearly one-third of the area proposed, for summer homes. The developers started moving in bulldozers for the digging of roads and the grading of building foundations which would destroy the fossil deposits in the areas disturbed. Local citizens tried to stop the developers by persuasion. When this failed, they went to court and secured an injunction which stopped them until July 28, 1969. The injunction was based on the general welfare clause in the U.S. Constitution, which was thin ice even for the U.S. Supreme Court. It is my understanding that the injunction has been dismissed, so it is imperative that we act now and take now all of the land needed for this monument.

Almost all of the fossil butterflies now found in museums in the Western Hemisphere come from the property which we seek now to preserve. We must understand that this area has scientific values not duplicated anywhere else in the world. The Dinosaur National Monument, the Petrified Forest National Park, and the Agate Fossil Beds National Monument have other distinctive scientific and geologic values which are not duplicated at the Florissant site. Like those areas, the Florissant National Monument, if it is established, could become a natural museum for the benefit of our people for all time.

This area, if authorized, will not be a typical recreation area. Like comparable areas, it will be administered primarily for the protection of its scientific values.

The area is unique. For the most part, it consists of a significant part of a prehistoric lakebed. In it, deposited between thin layers of shale, are literally thousands of fragile, fossilized insects, leaves,

and related objects of scientific value. Among scientists, the area is famous, because it is recognized as the richest fossil deposit of its kind in this hemisphere, and it is said to be the second most important one in the world.

Let me summarize a paragraph from the testimony: At Florissant we can be transported back in time 36 million years before the advent of man on this earth. Florissant Lake shales were formed by numerous violent eruptions of a nearby volcano that rained fine ash over the countryside. This ash fell in a large lake dammed by earlier lava flows from the volcano. As it fell it sieved the air and water with insects, animals, and plants that were living in the region of Colorado 34 to 38 million years ago.

The committee amendment strikes all after the enacting clause and inserts new language reflecting the amendments which the committee felt appropriate. For the most part, the amendments are technical and not substantive in nature. One difference between S. 912, as reported, and S. 912, as approved by the other body, involves the terminology stating the objectives of the legislation. Two other differences delete provisions which were unnecessary in light of existing general authority already available. And, finally, the last difference merely corrects a typographical error.

I say again this area is distinctive, unique, and valuable, and it is important that we pass this legislation.

Mr. ASPINALL. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado (Mr. EVANS).

Mr. EVANS of Colorado. Mr. Speaker, I think this is a matter that is very familiar to most of the Members. The thing that highlights the question before us today is the fact that what has been feared for years, and yet has not happened in the past, is about to happen, and it is imminent.

A developer's contract of purchase is on record in this county. Conversations have taken place between several people, hoping to preserve the area with the developers. As a result of uncertainty as to the course to be taken by the developers, as to whether they would stay action until Congress could work its will, interested people then filed an action in the Federal district court in Denver, and it is now before the U.S. circuit court, for a temporary restraining order in order to stay development and permit Congress to work its will.

We came before the Congress the last time thinking that this was about to happen, and this year it has happened. Unless the Congress acts this year, and acts quickly, to retain this valuable area, it will be too late.

Mr. Speaker, this place has been known for over 100 years through the early scientific investigations on the part of Peale in 1877, Scudder in 1879, Carpenter in 1916, Cockerill in 1900, and MacGinitie in 1936, and we have been indeed fortunate that someone has not come in and destroyed this area earlier.

I would urge you to pass this bill, so that we can then get the Senate to agree

on the few amendments we have here suggested.

Before I sit down, I would like to call attention to what I think are two of the most graphic descriptions of what we have on the Florissant beds of fossils.

The first is the description by the national areas committee of the University of Colorado, which described this area as follows:

The Florissant Fossil Beds are the Pompeii of the Oligocene epoch. The life and times of the period 25 to 40 million years ago were trapped and preserved here by volcanic ash in the same way that life at Pompeii was frozen in place by volcanics from Mount Vesuvius.

Another description, which I also think is fitting, gives you a good idea of just exactly what we have here in terms of reserving for future scientific study of this world and it is contained in a comment made by Dr. Beatrice Willard, a doctor and professor of plant ecology, when she described the area as follows:

This makes the Florissant Beds comparable in the record of life on this planet to the Dead Sea Scrolls of biblical fame, the Rosetta Stone that unlocked the secrets of ancient Egyptian civilization, and the Gutenberg Bible that records the first western printing.

Gentlemen, the time is late. It is now a question of whether or not in fact, no matter what we do today, we will have acted in time to preserve this area.

I hope you will support this legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. ASPINALL. Mr. Speaker, I yield such time as he may desire to the gentleman from Colorado (Mr. ROGERS).

Mr. ROGERS of Colorado. Mr. Speaker, I rise in support of the bill, S. 912.

As I previously indicated, this legislation should be approved promptly. If it is not, then we run the danger of losing some of the florissant fossil beds that have been in the State of Colorado for centuries.

We believe this legislation will help to preserve at least 6,000 acres of land and will be used for scientific purposes in the future.

Mr. KYL. Mr. Speaker, I have no further requests for time.

Mr. ASPINALL. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. KLUCZYNSKI).

(By unanimous consent, Mr. KLUCZYNSKI was allowed to speak out of order.)

SELECT COMMITTEE ON HOUSE RESTAURANT OPERATIONS

Mr. KLUCZYNSKI. Mr. Speaker, a great many Members, as well as House staff people concerned, and others, have been in touch with me personally, and with other members of the Select Committee on House Restaurant Operations, regarding the action the select committee plans to take and the procedures it will follow.

I am taking these few minutes to give this brief report so that everyone will know what the select committee has in mind.

We have met and discussed several of

the matters already before us, and we believe it would be well for us to use the period of the forthcoming recess to review the information we have now collected, and to set up an office through which the work of the committee can be handled. I am sure everyone recognizes that those of us on the select committee are not going to be able to handle all of these meetings, telephone calls, and so on, individually through our own offices along with all of our standing responsibilities.

We plan, then, when the recess is over, to start meeting with Members who have recommendations for us, and with restaurant employees who have recommendations or complaints, or both, and with the present management. There will be ample advance notice when the select committee is ready to schedule these meetings, and out of them will, of course, develop the recommendations the select committee will make on restaurant policies and procedures.

Mr. ASPINALL. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Colorado that the House suspend the rules and pass the bill S. 912, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

INCREASED EDUCATIONAL ASSISTANCE UNDER VA EDUCATION LAW

Mr. TEAGUE of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11959), to amend chapters 31, 34, and 35 of title 38, United States Code, in order to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to eligible veterans and persons under such chapters, as amended.

The Clerk read as follows:

H.R. 11959

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1504(b) of chapter 31 of title 38, United States Code, is amended to read as follows:

"(b) The subsistence allowance of a veteran-trainee is to be determined in accordance with the following table, and shall be the monthly amount shown in column II, III, or IV (whichever is applicable as determined by the veteran's dependency status) opposite the appropriate type of training as specified in column I:

"Column I	Column II	Column III	Column IV
Type of training	No dependents	One dependent	Two or more dependents
Institutional:			
Full-time.....	\$127	\$173	\$201
Three quarters time.....	92	127	150
Half time.....	63	86	98
Institutional on-farm, apprentice or other on-job training: Full time.....	109	144	173

Where any full-time trainee has more than two dependents and is not eligible to receive additional compensation as provided by section 315 or section 355 (whichever is applicable) of this title, the subsistence allowance prescribed in column IV of the foregoing table shall be increased by an additional \$6 per month for each dependent in excess of two."

Sec. 2. Chapter 34 of title 38, United States Code, is amended as follows:

(a) by deleting in the last sentence of section 1677(b) "\$130" and inserting in lieu thereof "\$165";

(b) the table contained in paragraph (1) of section 1682(a) is amended to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
Institutional:				The amount in column IV, plus the following for each dependent in excess of two:
Full time.....	\$165	\$197	\$222	\$13
Three-quarter time.....	121	147	170	9
Half time.....	78	96	109	7
Cooperative.....	133	159	184	9."

(c) by deleting in section 1682(b) "\$130" and inserting in lieu thereof "\$165";

(d) by deleting in section 1682(c) (2) "\$130" and inserting in lieu thereof "\$165";

(e) the table contained in section 1682(d) (2) is amended to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
Full time.....	\$133	\$159	\$184	\$9
Three-quarter time.....	96	116	134	6
Half-time.....	64	77	90	4."

(f) the table contained in section 1683(b) is amended to read as follows:

"Periods of training	No dependents	One dependent	Two or more dependents
First 6 months.....	\$102	\$114	\$127
Second 6 months.....	76	89	102
Third 6 months.....	51	64	76
Fourth and any succeeding 6 month periods.....	25	38	51."

SEC. 3. Section 1684(a) of title 38, United States Code, is amended as follows:

(a) by deleting in paragraph (2) immediately after the semicolon the word "and";

(b) by deleting the period at the end of

paragraph (3) and inserting in lieu thereof "; and"; and

(c) by adding at the end thereof the following new paragraph:

"(4) an academic high school course requiring sixteen units for a full course shall be considered a full-time course when a minimum of four units per year is required. For the purpose of this paragraph, a unit is defined to be not less than one hundred and twenty-sixty-minute hours or their equivalent of study in any subject in one year."

Sec. 4. Chapter 35 of title 38, United States Code is amended as follows:

(a) by amending section 1732(a) to read as follows:

"(a) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate of (1) \$165 per month if pursued on a full-time basis, (2) \$121 per month if pursued on a three-quarters time basis, and (3) \$76 per month if pursued on a half-time basis."

(b) by deleting in section 1732(b) "\$105" and inserting in lieu thereof "\$133"; and

(c) by amending section 1742(a) to read as follows:

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on his behalf a special training allowance computed at the basic rate of \$165 per month. If the charges for tuition and fees applicable to any such course are more than \$50 per calendar month the basic monthly allowance may be increased by the amount that such charges exceed \$50 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each \$5.30 that the special training allowance paid exceeds the basic monthly allowance."

Sec. 5. The amendments made by this Act shall take effect on the first day of the second calendar month which begins after the date of the enactment of this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. TEAGUE of California. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas is recognized for 20 minutes, and the gentleman from California will be recognized for 20 minutes.

GENERAL LEAVE TO EXTEND

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill the House is now considering.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

(Mr. TEAGUE of Texas asked and was given permission to revise and extend his remarks and to include extraneous matter.)

Mr. TEAGUE of Texas. Mr. Speaker, this bill increases the rates of educational assistance allowance for veterans eligible under chapters 31, 34, and 35 of title 38, United States Code.

Chapter 31 applies to service-connected disabled veterans in the form of voca-

tional rehabilitation which was first provided in Public Law 16 of the 78th Congress, enacted in 1943, and which was the forerunner of the several GI bills of rights which have been enacted since that time.

Chapter 34 applies to the veterans of service date on or after January 1, 1955, and chapter 35 applies to the so-called war orphans, which provides educational assistance to children of all individuals who lost their lives from service-connected causes after the beginning of the Spanish-American War and through the present conflict, as well as the children of totally disabled veterans of that pe-

riod and the wives of totally disabled veterans and widows of veterans who died of service-connected disabilities.

Since, for vocational rehabilitation education, the cost of tuition, fees, books, supplies, and equipment are paid by the VA, the rates shown for chapter 31 are in reality subsistence rates which have not been increased since 1965—Public Law 89-137. Therefore, the rates are increased by 15 percent because of the rise in cost of living. Chapters 34 and 35 are increased 27 percent to meet rising education costs.

The specific rates of increase are shown in the table which follows:

CHAPTER 31—SEC. 1504(b)—VOCATIONAL REHABILITATION

Col. I Type of training	Present law			H.R. 11959		
	Col. II No dependents	Col. III 1 dependent	Col. IV 2 or more dependents	Col. II No dependents	Col. III 1 dependent	Col. IV 2 or more dependents
Institutional:						
Full-time.....	\$110	\$150	\$175	\$127	\$173	\$201
¾-time.....	80	110	130	92	127	150
½-time.....	55	75	85	63	86	98
Institutional on-farm apprenticeship or other on-job training: Full time.....	95	125	150	109	144	173

Note: Rate for each dependent in excess of 2: Present law, \$5; H.R. 11959, \$6.

CHAPTER 34—SEC. 1682(a)—INSTITUTIONAL AND COOPERATIVE TRAINING

Col. I Type of program	Present law				H.R. 11959			
	Col. II No dependents	Col. III 1 dependent	Col. IV 2 dependents	Col. V More than 2 dependents	Col. II No dependents	Col. III 1 dependent	Col. IV 2 dependents	Col. V More than 2 dependents
				The amount in col. IV, plus the following for each dependent in excess of 2:				The amount in col. IV, plus the following for each dependent in excess of 2:
Institutional:								
Full time.....	\$130	\$155	\$175	\$10	\$165	\$197	\$222	\$13
¾ time.....	95	115	135	7	121	147	170	9
½ time.....	60	75	85	5	78	96	109	7
Cooperative.....	105	125	145	7	133	159	184	9

CHAPTER 34—SEC. 1682(d)(2)—FARM COOPERATIVE TRAINING

Col. I Basis	Present law				H.R. 11959			
	Col. II No dependents	Col. III 1 dependent	Col. IV 2 dependents	Col. V More than 2 dependents	Col. II No dependents	Col. III 1 dependent	Col. IV 2 dependents	Col. V More than 2 dependents
				The amount in col. IV, plus the following for each dependent in excess of 2:				The amount in col. IV, plus the following for each dependent in excess of 2:
Full time.....	\$105	\$125	\$145	\$7	\$133	\$159	\$184	\$9
¾ time.....	75	90	105	5	96	116	134	6
½ time.....	50	60	70	3	64	77	90	4

CHAPTER 34—SEC. 1683(b)—APPRENTICESHIP OR OTHER ON-JOB TRAINING

Periods of training	Present law			H.R. 11959		
	No dependents	1 dependent	2 or more dependents	No dependents	1 dependent	2 or more dependents
1st 6 months.....	\$80	\$90	\$100	\$102	\$114	\$127
2d 6 months.....	60	70	80	76	89	102
3d 6 months.....	40	50	60	51	64	76
4th and any succeeding 6-month periods.....	20	30	40	25	38	51

CHAPTER 34—OTHER PROVISIONS

	Present law	H.R. 11959
Flight training—sec. 1677(b).....	\$130	\$165
Active duty; less than ½-time training—sec. 1682(b).....	130	165
Correspondence courses—sec. 1682(c)(2).....	130	165

CHAPTER 35—OTHER PROVISIONS—SEC. 1732(a)—WAR ORPHANS, WIDOWS, AND WIVES EDUCATIONAL ASSISTANCE

	Present law	H.R. 11959
Full time.....	\$130	\$165
¾-time.....	95	121
½-time.....	60	76
Institutional-business courses—sec. 1732(b).....	105	133
Special restorative training—sec. 1742(a).....	130	165

Section 3 of the bill would amend section 1684(a) of title 38 in order to define the measurement of an academic high school course. The full course requiring 16 units shall be considered a full-time course when a minimum of four units per year is required. The definition of a unit contained in the bill is identical to the definition of a Carnegie unit which is a standard of measurement for describing the secondary school subject matter pattern that comprises the entrance requirements of a college, defined originally by the Carnegie Foundation for the Advancement of Teaching: Assuming 16 units of work in a 4-year secondary school pattern, the Carnegie unit represents a year's study in any subject—not less than 120 sixty-minute hours of their equivalent: Thus secondary schools organized on any other than a 4-year basis can estimate their work in terms of the unit.

Increases provided in this legislation reflect the sizable increases in education costs which have occurred in recent months and are an attempt to steer a middle and reasonable course in relation to proposals contained in a study prepared in the executive branch in May which stated:

Vietnam veterans receive a flat allowance of \$130 a month while attending college. This would have to be raised to \$158 a month to give the veteran the same amount relative to college costs as the Korean veteran received. It would have to be raised to \$183 a month to restore the post-World War II equivalent. To restore the relation with average hourly earnings of a veteran after world War II would require a monthly benefit of \$253.

Hearings were held on this and other pending proposals on June 25, 1969, at which time all the testimony received was favorable with the exception of that of the Veterans' Administration. The Administrator of Veterans' Affairs did not take a position in opposition to the bill, but after pointing out that the President had appointed a committee on the Vietnam veteran, stated:

Mr. Chairman, as I emphasized before, this Administration is concerned about aiding returning servicemen in readjusting to civilian life and in seeing that all of those who wish to do so will have the opportunity of attending college. As I pointed out earlier, a major concern is the adequacy of the pres-

ent benefit rates, a matter which will receive priority in the study to be conducted by the President's Committee on the Vietnam Veteran. Accordingly, I urge that your committee defer consideration of these pending bills until the President's Committee has had an opportunity to make its study and submit its recommendations.

The first-year cost of the bill as amended by the committee is \$206,500,000. The 5-year total is estimated at \$1,130,200,000.

Mr. Speaker, I want to take this opportunity to express my appreciation to the Subcommittee on Education and Training, headed by the gentleman from California (Mr. BROWN), who is the cosponsor of the legislation which we are considering here today, for the prompt manner in which this subcommittee met its responsibilities in reporting this measure so vital to the thousands of our returning veterans. They have acted with dispatch and have given careful consideration to the various proposals which were before them.

The other members of the Subcommittee on Education and Training are: Messrs. THADDEUS J. DULSKI, WALTER S. BARING, W. J. BRYAN DORN, HENRY HELSTOSKI, ROMAN C. PUCINSKI, DON EDWARDS, EDWARD R. ROYBAL, Mrs. SHIRLEY CHISHOLM, Messrs. SEYMOUR HALPERN, JOHN J. DUNCAN, WILLIAM H. AYRES, WILLIAM LLOYD SCOTT, JOHN M. ZWACH, and ROBERT V. DENNEY.

Again, I wish to express my appreciation to the members of this subcommittee for a job well done.

Mr. Speaker, I have asked permission to insert pertinent tables bearing on the general subject matter which have been obtained from the Office of Education of the Department of Health, Education, and Welfare:

BASIC STUDENT CHARGES, HIGHER EDUCATION, 1966-67

These tables present data on tuition and required fees charged students in undergraduate degree credit programs of institutions of higher education and on charges to men and women for room and board. Variations are shown by institutional level, control, and by students' place of residence. A comparison of the 1966-67 charges is made with charges in 1961-62 or 1964-65.

In this analysis, the classification by level groups institutions into: (1) Universities—institutions which stress graduate instruc-

tion and research, confer advanced degrees, and have at least two professional schools that are not exclusively technological, (2) other 4-year institutions—includes liberal arts colleges, teachers colleges, technological schools, other professional schools, and (3) junior colleges and institutions with programs of at least 2 but less than 4 years' duration.

The classification by control groups institutions into the categories public and private.

Resident students.—Classifies students on the basis of whether or not their domiciles are in the State and/or district where the institution is located and is thus a legal resident of the institution's tax district for purposes of fee assessment.

The data on student charges were obtained primarily from respondents in the Office of Education's annual "Higher Education General Information Survey". Completed questionnaires were returned by about 75 percent of the institutions surveyed. Information on charges of nonresponding institutions were obtained from college catalogs. The averages shown are thus based on information about all institutions of higher education.

The averages shown are for academic years. Institutions were provided with factors with which charges for semesters, trimesters, and quarters were converted to annual rates. In the computation of these averages the data from each institution were weighted by the total degree-credit enrollment in the institution.

TABLE 1.—AVERAGE TUITION AND REQUIRED FEES CHARGED FULL-TIME UNDERGRADUATE RESIDENT STUDENTS, IN INSTITUTIONS OF HIGHER EDUCATION AND PERCENT CHANGE BETWEEN 1961-62 AND 1966-67, BY LEVEL AND CONTROL: AGGREGATE UNITED STATES

Academic year and percent increase	Level of institution and control					
	Universities		Other 4-year institutions		2-year institutions	
	Public	Private	Public	Private	Public	Private
1961-62	\$265	\$1,059	\$182	\$838	\$88	\$537
1966-67	\$360	\$1,456	\$259	\$1,162	\$121	\$845
Percent increase: 1961-62 to 1966-67	35.8	37.5	42.3	38.7	27.5	57.4

TABLE 2.—AVERAGE TUITION AND REQUIRED FEES CHARGED FULL-TIME UNDERGRADUATE STUDENTS IN PUBLICLY CONTROLLED INSTITUTIONS OF HIGHER EDUCATION AND PERCENT INCREASE BETWEEN 1964-65 AND 1966-67, BY LEVEL OF INSTITUTION AND RESIDENCE OF STUDENTS: AGGREGATE UNITED STATES

Academic year and percent increase	Level of institutions and residence of students					
	Universities		Other 4-year institutions		2-year institutions	
	Resident	Nonresident	Resident	Nonresident	Resident	Nonresident
1964-65	\$298	\$704	\$224	\$554	\$99	\$396
1966-67	360	808	259	570	121	446
Percent increase: 1964-65 to 1966-67	20.8	14.8	15.6	2.9	22.2	12.6

TABLE 3.—AVERAGE ROOM AND BOARD CHARGES TO FULL-TIME UNDERGRADUATE STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION AND PERCENT INCREASE BETWEEN 1961-62 AND 1966-67, BY LEVEL AND CONTROL: AGGREGATE UNITED STATES

Academic year control and percent increase	Average room charge and level			Average board charge and level		
	Universities		2-year institutions	Universities		2-year institutions
	Public	Private		Public	Private	
1961-62:						
Public	\$249	\$197	\$155	\$433	\$409	\$356
Private	323	268	234	500	464	427
1966-67:						
Public	321	271	213	490	417	376
Private	452	355	347	548	490	487
Percent increase:						
Public	28.9	37.6	37.4	13.2	2.0	5.6
Private	39.9	32.5	48.3	9.6	5.6	14.1

TABLE 48.—ESTIMATED AVERAGE CHARGES (1967-68 DOLLARS) PER FULL-TIME UNDERGRADUATE RESIDENT DEGREE-CREDIT STUDENT IN INSTITUTIONS OF HIGHER EDUCATION, BY INSTITUTIONAL TYPE AND CONTROL: UNITED STATES, 1957-58 TO 1977-78

(Charges are for the academic year and in constant 1967-68 dollars)

Year and control	Total tuition, board, and room				Tuition and required fees				Board (7-day basis)				Dormitory rooms				
	All	Univer- sity	Other 4-year	2-year	All	Univer- sity	Other 4-year	2-year	All	Univer- sity	Other 4-year	2-year	All	Univer- sity	Other 4-year	2-year	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
1957-58: ¹																	
Public.....	\$916	\$969	\$798	\$626	\$217	\$244	\$155	\$84	\$479	\$484	\$463	\$403	\$220	\$241	\$180	\$139	
Nonpublic.....	1,620	1,810	1,505	1,044	814	950	728	401	534	566	525	457	272	294	252	186	
1958-59: ¹																	
Public.....	932	994	822	639	224	258	168	88	479	485	463	403	229	251	191	148	
Nonpublic.....	1,687	1,890	1,573	1,123	867	1,012	783	453	534	566	525	464	286	312	265	206	
1959-60: ¹																	
Public.....	950	1,020	845	652	232	272	181	92	479	487	463	403	239	261	201	157	
Nonpublic.....	1,752	1,970	1,640	1,200	919	1,074	838	504	534	566	525	470	299	330	277	226	
1960-61: ¹																	
Public.....	966	1,046	868	665	239	286	193	96	479	488	463	403	248	272	212	166	
Nonpublic.....	1,819	2,050	1,708	1,278	972	1,136	893	556	534	566	525	477	313	348	290	245	
1961-62: ²																	
Public.....	984	1,072	892	678	247	300	206	100	479	490	463	403	258	282	223	175	
Nonpublic.....	1,885	2,130	1,776	1,356	1,025	1,198	948	608	534	566	525	483	326	366	303	265	
1962-63: ²																	
Public.....	1,007	1,103	911	688	248	300	215	108	486	510	451	404	273	293	245	176	
Nonpublic.....	1,928	2,261	1,799	1,421	1,056	1,285	972	671	531	567	517	477	341	409	310	273	

See footnotes at end of table.

TABLE 49.—ESTIMATED AVERAGE CHARGES (1967-68 DOLLARS PER FULL-TIME UNDERGRADUATE RESIDENT DEGREE-CREDIT STUDENT IN INSTITUTIONS OF HIGHER EDUCATION, BY INSTITUTIONAL TYPE AND CONTROL: UNITED STATES, 1957-58 TO 1977-78—Continued

[Charges are for the academic year and in constant 1967-68 dollars]

Year and control	Total tuition, board, and room				Tuition and required fees				Board (7-day basis)				Dormitory rooms			
	All	Univer- sity	Other 4-year	2-year	All	Univer- sity	Other 4-year	2-year	All	Univer- sity	Other 4-year	2-year	All	Univer- sity	Other 4-year	2-year
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
1963-64: ¹																
Public.....	\$1,021	\$1,131	\$933	\$695	\$258	\$310	\$237	\$107	\$480	\$516	\$440	\$398	\$283	\$305	\$256	\$190
Nonpublic.....	2,001	2,321	1,875	1,448	1,116	1,341	1,031	708	537	569	524	471	348	411	320	269
1964-65: ²																
Public.....	1,035	1,144	944	695	265	324	244	108	475	503	438	393	295	317	262	194
Nonpublic.....	2,076	2,398	1,970	1,584	1,185	1,412	1,114	764	531	561	521	505	360	425	335	315
1965-66: ³																
Public.....	1,046	1,176	961	714	274	348	256	116	473	504	434	391	299	324	271	207
Nonpublic.....	2,135	2,467	2,021	1,659	1,229	1,458	1,157	818	527	563	513	504	379	446	351	337
1966-67: ⁴																
Public.....	1,060	1,210	979	734	284	372	268	125	472	506	431	389	304	332	280	220
Nonpublic.....	2,195	2,538	2,074	1,735	1,274	1,505	1,201	873	523	566	506	503	398	467	367	359
1967-68: ¹																
Public.....	1,076	1,236	997	744	292	386	281	129	470	508	425	386	314	342	291	229
Nonpublic.....	2,259	2,617	2,139	1,812	1,327	1,567	1,256	924	521	565	503	509	411	485	380	379
PROJECTED ⁴																
1968-69:																
Public.....	1,092	1,262	1,020	757	299	400	293	133	470	509	425	386	323	353	302	238
Nonpublic.....	2,326	2,697	2,207	1,891	1,380	1,629	1,311	977	521	565	503	516	425	503	393	398
1967-70:																
Public.....	1,110	1,288	1,043	770	307	414	306	137	470	511	425	386	333	363	312	247
Nonpublic.....	2,391	2,777	2,274	1,968	1,432	1,691	1,366	1,028	521	565	503	522	438	521	405	418
1970-71:																
Public.....	1,126	1,313	1,067	783	314	428	319	141	470	512	425	386	342	373	323	256
Nonpublic.....	2,458	2,857	2,341	2,047	1,485	1,753	1,420	1,080	521	565	503	529	452	539	418	438
1971-72:																
Public.....	1,144	1,340	1,090	795	322	442	331	145	470	514	425	386	352	384	334	264
Nonpublic.....	2,524	2,936	2,409	2,125	1,538	1,815	1,475	1,132	521	565	503	535	465	556	431	458
1972-73:																
Public.....	1,160	1,366	1,114	808	329	456	344	149	470	516	425	386	361	394	345	273
Nonpublic.....	2,591	3,016	2,477	2,202	1,591	1,877	1,530	1,184	521	565	503	541	479	574	444	477
1973-74:																
Public.....	1,178	1,391	1,137	821	337	470	357	153	470	517	425	386	371	404	355	282
Nonpublic.....	2,656	3,095	2,545	2,281	1,643	1,938	1,585	1,236	521	565	503	548	492	592	457	497
1974-75:																
Public.....	1,194	1,418	1,160	834	344	484	369	157	470	519	425	386	380	415	366	291
Nonpublic.....	2,723	3,175	2,612	2,359	1,696	2,000	1,640	1,288	521	565	503	554	506	610	469	517
1975-76:																
Public.....	1,212	1,444	1,184	847	352	498	382	161	470	521	425	386	390	425	377	330
Nonpublic.....	2,789	3,255	2,680	2,437	1,749	2,062	1,695	1,339	521	565	503	561	519	628	482	537
1976-77:																
Public.....	1,228	1,469	1,208	860	359	512	395	165	470	522	425	386	399	435	388	309
Nonpublic.....	2,856	3,335	2,748	2,514	1,802	2,124	1,750	1,391	521	565	503	567	533	646	495	556
1977-78:																
Public.....	1,246	1,495	1,230	873	367	525	407	169	470	524	425	386	409	446	398	318
Nonpublic.....	2,922	3,415	2,816	2,592	1,855	2,186	1,805	1,443	521	565	503	573	546	664	508	576

¹ Estimated.² Represents charges weighted by numbers of full-time degree-credit students, 1961-62 through 1964-65, and weighted by full-time resident students for 1966-67. These charges, shown in table 49 in current dollars, were converted to 1967-68 constant dollars by application of the Consumer Price Index. See constant dollar index, table L.³ Interpolated.⁴ The projection of basic student charges is based on the assumption that these charges will continue to increase through 1977-78 as they did during the base years of 1961-62 through 1964-65 and 1966-67, in constant dollars. Decreases in charges for board during the base period are not

projected and are frozen at the 1967-68 level. The base year data for board charges, in current unadjusted dollars, did show an increase, but not enough to offset the application of the Consumer Price Index.

Note: Data are for 50 States and the District of Columbia for all years. For further methodological details, see appendix table D.

Sources: U.S. Department of Health, Education, and Welfare, Office of Education publications: (1) "Higher Education Basic Student Charges" 1961-62 through 1964-65 and 1966-67 and (2) "Opening (Fall) Enrollment in Higher Education" 1961 through 1964 and 1966.

TABLE 49.—ESTIMATED AVERAGE CHARGES (CURRENT DOLLARS) PER FULL-TIME UNDERGRADUATE RESIDENT DEGREE-CREDIT STUDENT IN INSTITUTIONS OF HIGHER EDUCATION, BY INSTITUTIONAL TYPE AND CONTROL: UNITED STATES 1957-58 TO 1969-70

[Charges are for the academic year and in current unadjusted dollars.]

Year and control	Total tuition, board, and room				Tuition and required fees				Board (7-day basis)				Dormitory rooms			
	All	Univer- sity	Other 4-year	2-year	All	Univer- sity	Other 4-year	2-year	All	Univer- sity	Other 4-year	2-year	All	Univer- sity	Other 4-year	2-year
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
1957-58:																
Public.....	\$769	\$814	\$670	\$526	\$182	\$205	\$130	\$71	\$402	\$407	\$389	\$338	\$185	\$202	\$151	\$117
Nonpublic.....	1,361	1,520	1,264	877	684	798	611	337	449	475	441	384	228	247	212	156
1958-59: ¹																
Public.....	794	847	700	544	191	220	143	75	408	413	394	343	195	214	163	126
Nonpublic.....	1,437	1,610	1,340	956	738	862	667	386	455	482	447	395	244	266	226	175
1959-60: ¹																
Public.....	820	881	730	563	200	235	156	79	414	421	400	348	206	225	174	136
Nonpublic.....	1,513	1,701	1,416	1,036	794	927	724	435	461	489	453	406	258	285	239	195
1960-61: ¹																
Public.....	845	915	759	582	209	250	169	84	419	427	405	353	217	238	185	145
Nonpublic.....	1,591	1,793	1,494	1,117	850	994	781	486	467	495	459	417	274	304	254	214
1961-62:																
Public.....	869	947	788	599	218	265	182	88	423	433	409	356	228	249	197	155
Nonpublic.....	1,666	1,882	1,570	1,198	906	1,059	838	537	472	500	464	427	288	323	268	234
1962-63:																
Public.....	901	986	814	615	222	268	192	97	435	456	403	361	244	262	219	157
Nonpublic.....	1,724	2,022	1,608	1,271	944	1,149	869	600	475	507	462	427	305	366	277	244
1963-64:																
Public.....	926	1,026	846	630	234	281	215	96	435	468	399	361	257	277	232	172
Nonpublic.....	1,815	2,105	1,700	1,313	1,012	1,216	935	642	487	516	475	427	316	373	290	244
1964-65:																
Public.....	950	1,051	867	638	243	298	224	99	436	462	402	361	271	291	241	178
Nonpublic.....	1,907	2,202	1,810	1,455	1,088	1,297	1,023	702	488	515	479	464	331	390	308	289

See footnotes at end of table.

TABLE 49.—ESTIMATED AVERAGE CHARGES (CURRENT DOLLARS) PER FULL-TIME UNDERGRADUATE RESIDENT DEGREE-CREDIT STUDENT IN INSTITUTIONS OF HIGHER EDUCATION, BY INSTITUTIONAL TYPE AND CONTROL: UNITED STATES, 1957-58 TO 1969-70—Continued

[Changes are for the academic year and in current unadjusted dollars]

Year and control	Total tuition, board, and room				Tuition and required fees				Board (7-day basis)				Dormitory rooms			
	All	Univer- sity	Other 4-year	2-year	All	Univer- sity	Other 4-year	2-year	All	Univer- sity	Other 4-year	2-year	All	Univer- sity	Other 4-year	2-year
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
1965-66: ²																
Public.....	\$982	\$1,104	\$901	\$670	\$257	\$327	\$240	\$109	\$444	\$473	\$407	\$367	\$281	\$304	\$254	\$194
Nonpublic.....	2,004	2,315	1,896	1,557	1,153	1,368	1,086	768	495	528	461	473	356	419	329	316
1966-67:																
Public.....	1,026	1,171	947	710	275	360	259	121	457	490	417	376	294	321	271	213
Nonpublic.....	2,124	2,456	2,007	1,679	1,233	1,456	1,162	845	506	548	490	487	385	452	355	347
1967-68: ¹																
Public.....	1,076	1,236	997	744	292	386	281	129	470	598	425	386	314	342	291	229
Nonpublic.....	2,259	2,617	2,139	1,812	1,327	1,567	1,256	924	521	565	503	509	411	485	380	379
PROJECTED																
1968-69: ¹																
Public.....	1,122	1,297	1,048	777	307	411	301	137	483	523	437	396	332	363	310	244
Nonpublic.....	2,389	2,770	2,267	1,942	1,417	1,673	1,346	1,003	535	580	517	530	437	517	404	409
1969-70: ¹																
Public.....	1,170	1,358	1,100	811	324	436	323	144	495	539	448	407	351	383	329	260
Nonpublic.....	2,521	2,928	2,397	2,075	1,510	1,783	1,440	1,084	549	596	530	550	462	549	427	441

¹ Data for 1957-58 through 1960-61 and for 1967-68 through 1968-69 estimated by applying the Consumer Price Index to the data in table 48. See constant dollar index table L.

² Interpolated.

Note: Data are for 50 States and the District of Columbia for all years. For further methodological details see appendix table D.

Sources: U.S. Department of Health, Education, and Welfare, Office of Education publications: (1) "Higher Education Basic Student Charges" 1961-62 through 1964-65 and 1966-67; and (2) "Opening (Fa) Enrollment in Higher Education" 1961 through 1964 and 1966.

Mr. Speaker, I include at this point, as a part of my remarks, a listing of Federal educational support programs to students:

FEDERAL EDUCATIONAL SUPPORT PROGRAMS TO STUDENTS

The question of the comparability of the numerous Federal Government educational support programs to that available under the current GI bill is not one that can be simply answered. The purposes of the support programs vary, and the needs in areas of national interest may require incentives be offered to induce persons to train under Federal sponsorship to meet those needs.

According to a report by the Federal Inter-agency Committee on Education prepared in June 1968, the Federal Government, during the school year 1968-69, made provision for 43,000 predoctoral fellowships. There are few accurate figures on the extent of support under research and training grants because institutions are permitted discretion in the use of funds and the selection of recipients. The most common stipend paid to students awarded predoctoral fellowships and traineeships is \$2,600 a year. (Some are computed on the basis of a calendar year and others on the basis of an academic year.) The most common institutional allowance is \$2,500. Total benefits for the individual predoctoral fellowships is approximately \$5,100 a year. Some advanced programs run as high as \$13,000 or higher. These support programs for the graduate level student provide benefits in excess of that available under the GI bill.

MDTA (Manpower Development Training Act) programs are primarily directed to aid persons with limited financial resources and falling within the definition of a "disadvantaged" person. The training allowances for individuals pursuing institutional training is based on unemployment benefits paid by the respective States. A financial report by the Department of Labor covering the first three quarters of fiscal year 1969, shows that \$185,727,471 were obligated for those three quarters to cover both training allowance and training costs for 93,207 approved institutional trainees. Thus, the program provides for an average benefit of \$1,993 per year or \$166 a month. This is in excess of benefits provided for nondisabled veterans under the GI bill.

The Job Corps is designed to provide as-

sistance through residential training at job centers to young men and women aged 16 to 21 who are public school dropouts, individually poor, or living in a family whose head of household makes less than \$3,000 a year.

Generally, a job corpsman receives an allowance of \$30 per month plus an allotment to a close family member of \$50 per month for a total of \$80 a month. Room and board, plus work clothing, are furnished each enrollee at Government expense. According to OEO Report of June 1968, this expense amounts to \$800 a year. This amount plus \$960 (80 per month) totals \$1,760 a year, or a rate of \$146 a month, paid directly to or on behalf of the trainee. In addition to direct payments to and on behalf of each Job Corpsman, all training center operation costs are paid by the Federal Government. Direct costs plus training center operation costs average approximately \$6,000 per Corpsman man-year.

OFFICE OF EDUCATION

Health professions scholarship

Basic Eligibility: Students with undergraduate degree in medical field.

Range of Benefits: Up to \$2,500 per academic year.

Limitations: Students selected must be in exceptional financial need. Funds are granted to schools which in turn selects students.

Graduate fellowships

Basic Eligibility: Graduate students, preferably those interested in teaching in colleges and universities.

Range of Benefits: \$2,000 to \$2,400, plus \$400 a year for each dependent; option to attend summer school, \$400 plus \$100 for dependents; \$2,500 to institution per fellow.

Limitations: OE panel decides eligibility of institution and number of fellowships to be given the institution. (Note: Title IV: 12,000 plus fellowships in 1968-69.)

Prospective teacher fellowships

Basic Eligibility: Graduate students (experienced and prospective teachers in elementary and secondary schools, including postsecondary vocational schools).

Range of Benefits: \$2,000 to \$2,400 plus \$400 dependency allowance.

Limitations: Institutions receiving grants select individuals for fellowships or stipends.

Federal fellowships

Basic Eligibility: Persons engaged in or preparing to undertake careers in elementary and secondary education.

Range of Benefits: \$2,000 to \$4,000 a year depending on teaching experience and number of dependents; \$2,500 to institution.

Limitations: Must be full-time student; cannot be working except for approved part-time research or teaching.

National teaching fellowships (title III)

Basic Eligibility: Qualified graduate students and junior faculty members.

Range of Benefits: \$6,500 plus \$400 for each dependent.

Limitations: Must be selected to teach in the developing institution.

Nurses training

Basic Eligibility: Students in nursing schools (all types).

Range of Benefits: Loans up to \$1,000 (up to 50% is forgiven for full-time employment as a nurse).

Health research fellowships

Basic Eligibility: Graduate students—postdoctoral study.

Range of Benefits: \$2,400 to \$2,800 plus \$500 dependency allowance.

Limitations: Particularly selected to maintain an adequate supply of well-trained research scientists.

Insured student loans

Basic Eligibility: Students in institutions of higher education.

Range of Benefits: Undergraduates: Loan of not more than \$1,500 a year; not to exceed \$7,500.

Graduate students: Same as undergraduates (loans not to exceed \$7,500 aggregate for both programs).

Limitations: Federal Government pays portion of interest only if adjusted family income is less than \$15,000 annually.

Educational opportunity grants

Basic Eligibility: Undergraduates accepted by or enrolled in institutions of higher education.

Range of Benefits: Grants of \$200 to \$1,000 a year. \$1,000 after first year. (Federal matching grant will not exceed \$1,000 (140,000 grants a year).)

Limitations:

1. Satisfactory progress.
2. Full-time student.
3. Grants not to exceed 4 academic years.
4. High school graduate in exceptional financial need.

5. One-half of financial aid must come from sources other than Federal Government. Vocational student loans (guaranteed student loan program)

Basic Eligibility: Students accepted by or enrolled in an accredited business, trade or technical school.

Range of Benefits: Loans of not more than \$1,500 a year. Unpaid principal not to exceed \$7,500.

Limitations: Students receive interest subsidy from Federal Government only if adjusted family income is less than \$15,000 annually.

Educational personnel development (title V-C)

Basic Eligibility: Education personnel now in place and new education personnel.

Range of Benefits: \$2,000 per academic year plus \$400 for each dependent; \$2,500 to institution. For school personnel now in place \$75 per week plus \$15 per week for each dependent.

Limitations: Grants to institutions of higher education, education agencies, and State education agencies.

Teacher training—handicapped children

Basic Eligibility: Teachers engaged in and those preparing to engage in the education of handicapped children.

Range of Benefits:

Undergraduates: \$300 per year; \$800 Junior and Senior years.

Fellowships: Masters degree, \$2,200 per year plus \$600 for each dependent.

Post-masters degree: \$3,200 per year plus \$600 for each dependent. Tuition paid by Federal Government from the appropriation.

Limitations: Grants to State education agencies and to institutions of higher education. (1968-69 there are approximately 13,000 recipients.)

Teacher Corps

Basic Eligibility:

Teacher-interns: Bachelors degree or at least 2 years college and willingness to serve 2 years in the Corps.

Experienced teachers: Masters degree or equivalent and minimum of 5 years teaching experience.

Range of Benefits:

1. Teacher-interns: Receive \$75 a week plus \$15 a week for each dependent. Tuition paid by Federal Government.

2. Experienced teachers are paid usual salary which varies plus paid tuition by the Federal Government.

Limitations:

Grants to institutions are based on access to the local districts to be served.

To local districts in proportion of need and quality of the proposal.

Foreign language fellowships (title VI)

Basic Eligibility: Primarily for those who plan to teach foreign languages and area studies at the college level.

Range of Benefits:

1. Graduate fellows: \$2,250 per year plus \$600 for dependents (up to four); \$450 per summer session (8 weeks).

2. Post-doctoral fellows: Receive stipend based on salary of the candidate.

Limitations: All recipients must have technical clearance by Office of Education.

College work study

Basic Eligibility: Students in postsecondary schools, junior colleges, area vocational schools, selected preparatory schools.

Range of Benefits: Federal grant (80-20) to educational institutions; average pay of 15 hours per week at school or related institution is approximately \$500 per year. (About 375,000 participants in program in FY 1968.)

Limitations: Particularly students from low-income families.

ATOMIC ENERGY COMMISSION

AEC special fellowships in health physics

Basic Eligibility: Graduate students.

Range of Benefits: \$2,400 to \$2,800 per year; \$2,500 to institution; maximum 36 months.

Limitations: Intention to remain in the nuclear field.

Laboratory graduate fellowships

Basic Eligibility: Graduate students working toward the M.S. or Ph. D. degree in some area of nuclear science and engineering.

Range of Benefits: \$3,100 to \$6,000 including dependency allowance and tuition.

Limitations: Scholastic record above average. Likelihood of remaining in the nuclear field.

Traineeships in nuclear science and engineering

Basic Eligibility: Graduate students in nuclear science and engineering.

Range of Benefits: \$2,400 to \$2,800 a year plus \$500 per dependent; \$2,500 to participating institution.

Limitations: Scholastic record above average. Likelihood of remaining in the nuclear field.

AEC postdoctoral fellowships

Basic Eligibility: Scientists and engineers with doctoral degree or equivalent.

Range of Benefits: \$9,000 per year plus \$1,000 travel.

Limitations: Prior acceptance by organization where tenure will be held. A plan for research relevant to interests of AEC.

AEC special fellowships in industrial medicine

Basic Eligibility: Physicians with M.D. degree and 1 year internship.

Range of Benefits: \$7,500 to \$9,000 including dependence allowance; \$2,500 to institution.

Limitations: Acceptance of conditions of appointment.

NATIONAL SCIENCE FOUNDATION

Graduate fellowships

Basic Eligibility: Students who have been or will be admitted to graduate status by the institution selected.

Range of Benefits: \$1,800 to \$4,300 per 9- or 12-month period including dependency allowance; \$2,500 to institution.

Limitations: Must have demonstrated special aptitude for advanced training in the sciences.

Graduate traineeships

Basic Eligibility: Student must be enrolled in a full-time program leading to an advanced degree in science.

Range of Benefits: \$2,400 to \$2,800 per basic 12-month period; dependency allowance may be provided; summer stipend ranges from \$50 to \$85 per week.

Limitations: Grants are made to universities that confer doctoral degrees to enable them to provide graduate traineeships.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Predoctoral traineeships

Basic Eligibility: Qualified college graduates.

Range of Benefits: \$2,400 to \$3,400 including dependency allowance; \$2,500 to institution. (In academic year 1967-68 approximately 3,400 participants in this program.)

Limitations: Intention to continue studies toward a doctorate in a space-related discipline.

HOUSING AND URBAN DEVELOPMENT

Urban studies fellowships

Basic Eligibility: Students enrolled for full-time study as candidates for masters or Ph. D. degree.

Range of Benefits: Up to \$3,000 per year

plus \$500 for dependents up to 2; tuition paid directly to the institution.

Limitations: Programs of study oriented to public careers in urban development. Awards are made on recommendation of the Urban Studies Advisory Board.

DEPARTMENT OF INTERIOR (BUREAU OF INDIAN AFFAIRS)

Scholarship aid to Indian students enrolled in degree-granting accredited colleges and universities

Basic Eligibility: Must have one-quarter or more degree Indian, Eskimo, or Aleut blood and membership in a tribal group for which the Federal Government has trust responsibility. Also, financial need is a determining factor.

Range of Benefits: Direct financial aid to students averages about \$800 per enrollee per year. Tuition and fees are paid by the Federal Government to institution. Specific costs of tuition, etc., not available due to varying tuition charges and needs of the individual.

Limitations: Scholarships are made primarily to youths residing on reservations or other Indian-owned tax-exempt lands. (1968-69 school year there were approximately 2,700 enrollees under this program.)

Education of Indian children in Federal schools

Basic Eligibility: Indian children who reside on or near reservation areas and do not have access to adequate public educational opportunities.

Range of Benefits: Federal Government pays all expenses necessary to operate school. (No direct monetary benefits to individuals.)

DEPARTMENT OF INTERIOR

Federal water pollution control fellowships

Basic Eligibility: Research fellowships are awarded on basis of technical review of competence of individuals.

Range of Benefits: Stipend of \$6,400 per year.

Limitations: Independent research of water supply and water pollution control.

DEPARTMENT OF DEFENSE

Regular NROTC—Navy—Holloway plan—Army and Air Force have similar ROTC programs

Basic Eligibility: Active duty personnel interested in career naval service.

Range of Benefits: Individuals are paid \$50 per month as a subsistence allowance; tuition and fees are paid to the institution.

Limitations: Must be candidate for an undergraduate degree. Service obligation 4 years after receipt of commission as a naval officer.

DEPARTMENT OF DEFENSE (ALL SERVICES)

Off-duty voluntary programs—Studies leading to bachelor and advanced degrees

Basic Eligibility: All active duty personnel except officers within 2 years of controlled separation.

Range of Benefits: Up to 75% of tuition and fees for off-duty at accredited schools. Coast Guard pays 100% of tuition not to exceed \$200 (approx. 285,000 participants).

Limitations: 2-year obligation for officers; none for enlisted personnel.

AIR FORCE

Air Force airman and education commissioning program—the Army and Navy have similar programs titled "Army enlisted schooling" and "Navy enlisted scientific education."

Basic Eligibility: Career minded, active duty airmen with at least 1 year active duty and 30 semester hours of college credit.

Range of Benefits: Full pay and allowances plus tuition and related fees for maximum of 2 years residence study followed by officer training school (OTS).

Limitations: Serves 4 years after receipt of commission.

U.S. ARMED FORCES INSTITUTE—USAFI
Elementary school through college and graduate level

Basic Eligibility: All active duty service personnel.

Range of Benefits: Reduced fees for extension and correspondence courses.

CIVIL DEFENSE

Student development

Basic Eligibility: Graduate students who are interested in pursuing advanced studies in the field of protective engineering.

Range of Benefits: \$2,200 for students; \$2,800 for university per academic year.

Limitations: Awards on a merit basis; students must be civil defense oriented.

DEPARTMENT OF LABOR—MANPOWER ADMINISTRATION

MDTA institutional training

Basic Eligibility: For training allowance, the individual must be unemployed, head of a household or family, and with at least 1 year's previous experience in gainful employment, including time spent in military service. Emphasis is on the "disadvantaged" individual. For training only the individual must be unemployed or underemployed and available for any counseling required.

Range of Benefits: Institutional training allowance is based on the prevailing unemployment insurance in the applicable State (from \$29 per week in Mississippi to \$52 per week in California). Individuals are allowed \$5 per week for each dependent up to a maximum of \$30 per week. Federal Government pays generally 90% of training costs. The average benefit provided for institutional trainees, on a yearly basis, FY 1969 was \$1,993 (\$1,125 training allowance, \$868, training costs) or \$166 per month.

Limitations: Length of program ranges from 4 to 104 weeks with an average of 26 weeks. (Note: No statistics available on number of veterans. Department of Labor estimates approximately 18,000 veterans under age 35 of a total of about 140,000 trainees in FY 1969. Department of Labor statistics shows 93,207 approved institutional trainees, FY 1969 through March 31, 1969.)

MDTA on-the-job training

Basic Eligibility: Unemployed and underemployed (65% must be certified by the Employment Service as "disadvantaged").

Range of Benefits: No Federal funds are paid to trainees; employer's training costs are paid directly to the employer; employer pays trainee a salary.

Limitations: 65% must be "disadvantaged."

DEPARTMENT OF LABOR—JOB CORPS JURISDICTION TRANSFERRED FROM OEO TO MANPOWER ADMINISTRATION, JULY 1, 1969

Job Corps—Residential training

Basic Eligibility: Disadvantaged young men and women aged 16 to 21.

Range of Benefits: While in training at job center, corpsmen receive subsistence (room and board, clothing, etc.) amounting to approximately \$800 a year, plus \$30 a month and an allotment of \$50 a month to a close family member. This totals \$1,760 for a year or \$146 a month. The average training period is 7 to 9 months.

Limitations: Youths aged 16-21 who are public school dropouts, individually poor, or living in a family whose head of household earns less than \$3,000 a year. Maximum period of training 2 years.

VETERANS' ADMINISTRATION

Vocational rehabilitation

Basic Eligibility: Veterans with wartime or Korean conflict service compensable disability. Veterans of other service, a 30% or more service-connected disability or if less than 30% have pronounced employment handicap.

Range of Benefits: A subsistence of allowance varying from \$55 to \$175 per month

based on half-time or full-time training and dependency status. Tuition fees, books, and cost of supplies are also paid by the VA.

Limitations: Discharge or release from active service under honorable conditions; education must generally be completed in 9 years after discharge or release, with possible extension 13 years.

Readjustment training

Basic Eligibility: Veterans of service after Jan. 31, 1955, with more than 180 days of active service and members of the Armed Forces who have served at least 2 years on active duty.

Range of Benefits: Payments of \$60 to \$130 a month for one-half time or more plus an allowance for dependents. Veterans enrolled for less than one-half time and servicemen on active duty are paid at the rate of the school's tuition and fees or at the rate of \$130 a month for full-time education whichever is less. Flight training payments are based on 90% of established charges. On-the-job training—from \$80 for first 6 months plus dependency allowance to \$20 for fourth 6 months plus dependency allowance. Farm cooperative training: \$50 for one-half time to \$105 for full-time plus dependency allowance. Established charges are paid for correspondence course lessons completed and serviced by school.

Limitations: Honorable service and completion of education within 8 years after last discharge or release from active service. Maximum entitlement is 36 months or an aggregate of 48 months when prior training under VA program.

War orphans training—including wives and widows

Basic Eligibility: Children generally between ages 18 and 26, and wives or widows of veterans who are permanently and totally disabled or died because of a service-connected disability.

Range of Benefits: Payments to students range from \$60 a month for one-half time educational pursuit to \$130 a month for full-time pursuit to a maximum of 36 months, or equivalent in part-time training.

Limitations: Generally a child's education must be completed between ages 18 and 26, but in no event earlier than 14 years nor later than 31 years of age. Wives or widows have 8 years.

Mr. TEAGUE of California. Mr. Speaker, I rise in support of H.R. 11959. This bill will grant a cost-of-living increase in educational allowance to veterans, widows, and orphans attending school under the several educational benefits programs administered by the Veterans' Administration.

The allowances authorized for service-connected disabled veterans pursuing education or training under the vocational rehabilitation program are increased by 15 percent. This allowance represents living expenses alone for the disabled veteran student while attending school. The Veterans' Administration pays the costs of tuition, fees, books, supplies, and equipment.

The allowances authorized for veterans attending school under the GI bill and for widows and orphans and wives of totally disabled veterans pursuing educational programs under the War Orphans Educational Assistance Act are meant for tuition and fees as well as living expenses. As a result, these allowances are increased by 27 percent under the bill.

Finally, Mr. Speaker, the bill revises the method of determining full-time attendance in high school courses. Under existing law, a veteran desiring to complete his high school education in one of

the many adult education programs offered in communities throughout the Nation must enroll for a minimum of 12 clock hours per week to receive any allowance under the GI bill. This represents a difficult and unappealing schedule to the returning veteran who must work full time during the day.

Our experience indicates that many veterans who need a high school diploma are passing up the opportunity to return to school because of these stringent requirements. The bill before us today will permit a veteran to enroll in evening high school classes for two units of study or two subjects and receive the minimum half-time allowance.

Mr. Speaker, because of the continually spiraling cost of living and cost of education, the increased allowances authorized by this bill are necessary. I urge that it be passed.

(Mr. ADAIR (at the request of Mr. TEAGUE of California) was granted permission to extend his remarks at this point in the RECORD.)

Mr. ADAIR. Mr. Speaker, I rise in support of H.R. 11959. This bill, if enacted into law, will provide needed increases in educational allowances paid to persons pursuing programs of education or training under laws administered by the Veterans' Administration.

Existing law permits unmarried veterans, widows, and children of service-connected deceased veterans and wives of service-connected totally disabled veterans to receive an allowance of \$130 monthly while pursuing a program of education or training on a full time basis. An increased allowance is payable to veterans with dependents while proportionate allowances are payable for veterans attending school on a part time basis. Under this bill, these allowances are increased by 27 percent. In the case of the \$130 monthly allowance, the increase amounts to \$35 monthly.

Additionally, the bill authorizes an increase in the subsistence payable to service-connected disabled veterans pursuing programs of vocational rehabilitation. Under this program, the Veterans' Administration pays tuition and other fees directly to the educational institution while the unmarried veteran pursuing full time training receives \$110 monthly. Under the bill, this allowance is increased to \$127 monthly.

Mr. Speaker, the various educational programs administered by the Veterans' Administration since the termination of World War II have returned to the Federal Government more money in increased taxes from the recipients of these benefits than the programs have cost the Government. As a result of these educational programs, the veteran population is better educated, better able to command higher wages and better able to fill critical manpower needs in the sciences and industry than would otherwise be the case. I believe the current education programs will also pay for themselves. I urge the adoption of this bill.

Mr. ANNUNZIO. Mr. Speaker, many words have been spoken in this Chamber about support for our fighting men overseas, and such words have not fallen on deaf ears. The Congress has traditionally shown itself eager to provide American

soldiers with everything they need to fight a war, from medical supplies to materiel.

And Congress has not stopped there; it has also convincingly demonstrated a concern for supporting our soldiers when wars are over and they become civilians once again. Thus, in 1943, Congress enacted into law a program which provided allowances for vocational rehabilitation to veterans with service-connected disabilities.

Then, in 1944, the GI bill of rights was passed by the Congress without a single dissenting vote. This historic measure set up a program which, among other things, provided veterans with educational assistance for high school, college, or vocational training. Fifty percent of the returning World War II servicemen took advantage of that program.

Its unqualified success led to the enactment of the Korean conflict GI bill, in which educational assistance was also provided. Forty-two percent of the eligible Korean war veterans used the allowances and Congress subsequently wrote into law a cold war bill of rights for the GI, again providing education and training allowances.

Figures now show us that only 20 percent of the cold war veterans—those entering the Armed Forces after January 31, 1955—took advantage of the allowances, and only 21 percent of the Vietnam veterans thus far have done so. One reason for this distressing decrease in educational activity among our veterans is evident: The educational assistance allowances available to the veterans are not enough to meet their needs. The costs of education have risen so much in the last few years that the allowances provided by the veterans' programs bear little relation to them. Clearly, this is a situation that can, and should, be remedied.

I am pleased to note that the Committee on Veterans' Affairs has come up with just the remedy needed: H.R. 11959. Under the consistently able leadership of the distinguished gentleman from Texas, chairman OLIN E. TEAGUE, the committee has reported H.R. 11959, a bill to increase the rates of vocational rehabilitation, education assistance, and special training allowances paid to eligible veterans and certain dependents. Specifically, the subsistence rates for veterans in vocational rehabilitation training, which have not been increased since 1965, are raised 15 percent by the bill, because of the rise in the cost of living. The allowance rates for other on-the-job training—are increased 27 percent. Thus, a veteran with a wife and child who attends college full time would, under the provisions of H.R. 11959, receive \$222 per month during the school year instead of the present inadequate \$175.

I believe that if this bill is passed, the educational assistance program for veterans would become more meaningful and that we would immediately see an increased utilization of the program among our men who are returning from Vietnam. Congress has supported our soldiers in their task of fighting a difficult war in Vietnam. We must continue to support them once they cease to be active soldiers and begin the often difficult readjustment to civilian life. One

of the most meaningful ways we in Congress can demonstrate both our gratitude for their past actions and our faith in their future endeavors would be to pass H.R. 11959.

Mr. EDMONDSON. Mr. Speaker, I rise in support of H.R. 11959, to increase the rates of vocational rehabilitation, educational assistance, and special training allowance paid to veterans.

The bill is urgently needed, in view of the rising cost of living and rising educational costs; and I am a sponsor of a bill which seeks the same basic objectives as those of H.R. 11959.

My own bill was introduced in response to reports from veterans seeking to take advantage of the GI bill in schools in Oklahoma, who advised of the great difficulty they were encountering under the present payment rates.

I urge the approval of H.R. 11959.

Mr. HALPERN. Mr. Speaker, I rise to support H.R. 11959, introduced by the gentleman from Texas, the respected, able and distinguished chairman of the Veterans' Affairs Committee on which I am privileged to serve.

Each month over 70,000 veterans are discharged from active service. These young Americans who have served their Nation so well in war can also serve their Nation as peacetime citizens. This bill will increase the allowance rates for vocational rehabilitation, special training and educational assistance paid to these veterans.

Many veterans have not completed their education, but unfortunately many of them are not taking advantage of opportunities available under the Cold War GI bill of 1966.

After World War II, 50 percent of the eligible veterans benefited from the available vocational and college training. Following the Korean conflict, over 42 percent of the veterans took advantage of educational and training programs. However, since January of 1966, only 21.4 percent of the discharged Vietnam veterans have utilized the available benefits.

One of the major reasons for this deplorable low rate of participation is that the rate of payment has not kept up with the rising cost of living and the fast increasing cost of education. The present pay schedule is far below those of World War II and the Korean war.

Since the current allowances are so inadequate, the veterans who seek an education are confronted with a great financial test. The average cost of tuition fees and room and board for a full-time resident student at a 4-year college or university has risen about 46 percent since October of 1967 when the last rise in educational allowances was implemented. The gap between the allowance afforded veterans pursuing vocational rehabilitation training and the present cost of such education is even greater. These rates were last changed in October of 1965.

The bill before us today would provide a giant step toward the alleviation of these inequities. It would add support to the bridge veterans must cross from military life to civilian life. H.R. 11959 would increase benefits available to disabled veterans for training by 15 percent. Benefits available for apprentice training,

farm cooperative and college training would be raised by almost 27 percent. Educational benefits available to wives and children of totally disabled veterans or veterans who have died from service-connected causes would also be increased by almost 27 percent.

On June 5, President Nixon wisely stated:

It is our hope that there will come a day when the benefits of peace will convince men and nation of the folly of war: until then, we must make certain that the benefits we offer reflects our pride in our veterans and our gratitude for their sacrifices.

All of us pray that the time will soon come when all the world will live in peace. But being cognizant of the realities of today, our duty is to express our pride and gratitude to our veterans by granting each of them a fair chance to better himself.

Mr. Speaker, I trust this bill will receive resounding approval today. That is the least we can do for our veterans and for ourselves.

Mr. MATSUNAGA. Mr. Speaker, I rise in support of H.R. 11959, a bill which would provide increased educational assistance to veterans under the Veterans' Administration education law.

We are not today delving into the merits of the various educational assistance programs administered by the VA; that question has already been favorably decided by past Congresses. What we are called upon to do by the legislation now before this body is to make proper adjustments in the allowances which are provided under the various ongoing VA educational programs. We can either accept or reject the increases which have been proposed by the distinguished gentleman from Texas (Mr. TEAGUE) and the able members of the Committee on Veterans' Affairs over which he presides.

Before we decide on which way our vote is to be cast, however, I strongly urge a close study of the proposed increases in benefits. H.R. 11959 would increase by only 15 percent the benefits currently available to disabled veterans for vocational training. In the case of a single veteran, with no dependents, who is pursuing full-time institutional training, the increase is all of \$17. Instead of receiving \$110, an amount that was set in 1965, he would get \$127 per month in what has been termed a "subsistence allowance" because all of his other vocational rehabilitation expenses are paid by the VA. Disabled veterans with dependents would receive corresponding increases.

This bill would also increase by 27 percent the benefits which are currently available for institutional, farm cooperative, and apprentice training. Again, a single veteran, with no dependents, who is attending college and pursuing a full-time program, would receive \$165 per month instead of the present \$130. From this allowance he has to pay for his own tuition, books, and supplies, as well as for his room and board. In the face of today's rising tuition as well as rising cost of living, the undergraduate veteran can hardly be said to be going to school in lavish style on his VA allowance.

Similarly, the legislation under con-

sideration would also increase by 27 percent educational benefits which are available to wives and children of totally disabled veterans or veterans who died from service-connected causes.

Mr. Speaker, it is particularly noteworthy, in our consideration of H.R. 11959, that the bill was reported unanimously by the committee, and that it is not opposed by the administration.

This measure deserves our support, and I, therefore, urge a unanimous vote.

Mr. BOLAND. Mr. Speaker, I want to express my support for this legislation to increase the education allowances now granted to veterans and their dependents.

Clearly, Mr. Speaker, we in the Congress have a responsibility to help veterans in their efforts to readjust fruitfully to civilian life. The education assistance programs carried out under the Veterans' Administration—programs that offer financial aid to veterans ranging from severely disabled men struggling to regain their earning power through vocational rehabilitation, to men seeking a college degree after completing their service requirements, to men taking night courses or correspondence courses in attempts to get better jobs—play a major role in this readjustment. Yet the assistance allowances granted under present law are plainly too low. The cost of education is inching upward year by year, putting college and other forms of schooling out of the financial reach of many veterans. The bill now before us would help solve this problem by increasing allowances 15 to 27 percent.

The increases sought in this bill would affect three groups of veterans—disabled veterans receiving vocational rehabilitation assistance, nondisabled veterans of service date on or after January 1, 1955, the widows and children of veterans who lost their lives in the line of duty, and the wives and children of totally disabled veterans. The principal beneficiaries of the bill, therefore, would be Vietnam war veterans, disabled veterans, and their families, and the families of men who have sacrificed their lives for their country.

The need is to provide greater educational assistance to these groups is clear and indisputable.

I strongly urge the passage of this bill.

Mr. REID of New York. Mr. Speaker, I strongly support H.R. 11959, which would provide increased educational assistance under the Veterans' Administration education law.

The increases which are authorized in this legislation are long overdue and much needed as the cost of living continues to move upward. Under this act, the rates for vocational rehabilitation will be increased by 15 percent; rates for institutional and cooperative training, for farm cooperative training, for apprenticeship and other on-the-job training, and for assistance for orphans, widows, and wives will be increased by 27 percent.

In other words, under this new legislation, a veteran attending college on a full-time basis and not responsible for any dependents would receive \$165 a month; with one dependent he would

receive \$197 per month; and with two or more dependents he would receive \$222 per month.

Surely we as a nation must rise and give support to those men who have risked their lives for us.

Surely we must acknowledge our debt and try to repay those men who return from war only to find themselves the victims of inflation and ever-rising costs for tuition and other required fees of a college education.

And surely we must bear responsibility for those who have fallen, and care enough to provide for their widows and their now fatherless children, and take it upon ourselves to offer them a decent education.

Mr. Speaker, I am proud of these men and their families. The very least that we in Congress can do for them is to allot these funds for their education on a fair basis, consistent with costs today.

Mr. TEAGUE of California. Mr. Speaker, I have no further requests for time, unless the gentleman from Iowa (Mr. GROSS) would like some time. If so, I yield him the remainder of my time.

Mr. GROSS. Mr. Speaker, I wish to thank the gentleman. I yield back the time.

Mr. TEAGUE of California. Mr. Speaker, I have no further requests for time.

Mr. TEAGUE of Texas. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Texas that the House suspend the rules and pass the bill H.R. 11959, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PRESIDENT'S COUNCIL ON YOUTH OPPORTUNITIES

Mr. PERKINS. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 764) to authorize appropriations for expenses of the President's Council on Youth Opportunity.

The Clerk read as follows:

H.J. RES. 764

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated such sums as may be necessary for the expenses of the President's Council on Youth Opportunity established by Executive Order Numbered 11330 of March 5, 1967.

The SPEAKER pro tempore. Is a second demanded?

Mr. AYRES. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Kentucky is recognized for 20 minutes, and the gentleman from Ohio will be recognized for 20 minutes.

Mr. PERKINS. Mr. Speaker, the resolution was reported out of the committee unanimously. As I understand it, the President is very much in favor of

the resolution, even though the Council was formed by former President Johnson.

Enactment of the resolution is necessary in order to authorize appropriation for the President's Council, an estimated \$357,000.

There is no objection on the part of any Member that I know about. The gentleman from Ohio (Mr. AYRES) is a cosponsor of the resolution.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. Mr. Speaker, I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the gentleman yielding. I just wonder why it is necessary for a preformed Council on Youth, or another study commission on youth opportunity, or advisory group, or whatever one wishes to call it, to suddenly be funded by the Congress, when it was formed by a prior administration and evidently paid for out of the President's contingency fund at that time. Why could it not be continued that way, rather than getting this stamp of approval of the purse string controller, the elected Congress of the United States?

Mr. PERKINS. Mr. Speaker, if the gentleman will look at the bottom of the report, he will notice:

This legislation has been recommended by the Bureau of the Budget and is necessary because of the provision of Public Law 90-479, which provides:

No part of any appropriation contained in this or any other Act, shall be available to finance interdepartmental boards, commissions, councils, committees, or similar groups under Section 214 of the Independent Offices Appropriation Act, 1946 (31 U.S.C. 691) which do not have prior and specific congressional approval of such method of financial support.

So we are here authorizing the funds. The administration and the Budget Bureau have requested this action. I personally feel that the President's Council on Youth Opportunity can serve a very useful purpose.

Mr. HALL. Mr. Speaker, I appreciate the gentleman's further opinion.

I have a few more questions. I wonder just how much appropriation will be needed for this council, for example, in fiscal year 1970?

Mr. PERKINS. The 1970 request is \$357,000. Members of the Cabinet compose the Council.

Mr. HALL. Mr. Speaker, this is another expenditure, however, that is not in the revised budget. Is that correct?

Mr. PERKINS. The \$357,000 for fiscal 1970 is in the revised budget.

Mr. HALL. That is correct.

Would the distinguished chairman of the Education and Labor Committee agree with me that the bill as written is open ended and ad infinitum?

Mr. PERKINS. That is correct.

Mr. HALL. I thank the gentleman for his forthrightness. Is it not true that the Council work is duplicative of many youth programs being conducted by HEW and HUD, if not EDA, and certainly by the OEO?

Mr. PERKINS. The real purpose of the Council is to provide some coordination of youth programs, particularly summer job programs.

Mr. HALL. Mr. Speaker, that is a noteworthy objective. We seem to have a great many coordinating and advisory councils—more and more. Does the gentleman not honestly feel this money that is being authorized herewith—up to \$357,000—could be better used if allocated under existing programs?

Mr. PERKINS. Mr. Speaker, we have always provided funds for the White House councils of this type. It has been a common practice. I cannot think of a better purpose than the purpose provided for in this joint resolution. When we have as many youth problems as we have across the Nation, we cannot forget about them, we cannot sweep them under the rug. We have to provide ways to handle them.

Mr. HALL. Mr. Speaker, I thank the gentleman for his opinion. I know he contributes much. I know he knows that no one believes it is a question of sweeping the youth problems under the rug, especially one who served youth so long.

I believe we are overlegislating on youth. I doubt if one can federally and collectively legislate in the heart of man, whether it is a youth or an adult.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

How much has been appropriated for this President's Council? How much has been appropriated or spent in the last year or two?

Mr. PERKINS. We have spent some money.

Mr. GROSS. I beg the gentleman's pardon.

Mr. PERKINS. We have spent some money on the youth of this country. I believe that this will serve a useful purpose. In the budget for fiscal year 1970 they have made an estimate of \$357,000.

Mr. GROSS. How much has been spent in the past?

Mr. PERKINS. We have spent millions of dollars in the past on youth.

Mr. GROSS. I am talking about this particular Council.

Mr. PERKINS. On this particular Council?

Mr. GROSS. That is right.

Mr. PERKINS. Several hundred thousand. I do not now have the precise figure but I will get it for the gentleman.

Mr. GROSS. Just a little piece of change, \$200,000 "Something like that," says the gentleman. It really does not mean much? Is that the way it is figured?

What has been accomplished for the \$200,000 that has been spent?

Mr. PERKINS. I believe a whole lot has been accomplished as far as doing something for the youth of this Nation is concerned. We have tried to concentrate and provide employment opportunities, training opportunities, and educational opportunities. That is the purpose of this legislation.

All the Members of the Cabinet, as members of this Council, I believe can contribute by coordinating the appropriate resources of their agencies on the problem. The administration wants it and believes it will be effective.

Mr. GROSS. It is all fine and good that the administration wants it, but the taxpayers also want some reform in spending. They are getting tired of paying increased taxes.

I do not care how much someone may attempt to minimize \$200,000, it is still a lot of money in some places in this country.

Just give us an example of the coordination that has been bought with the expenditure of \$200,000, or that it is proposed to buy with the expenditure of \$350,000 or \$375,000.

Mr. PERKINS. If the gentleman will read the report, on page 3, there are listed seven reasons why this legislation is necessary. This is simply a case where we cannot afford to abandon the Council, when we have all the problems with youth in this Nation we now have.

Mr. GROSS. If it is not accomplishing anything we can afford to disband it. I do not care whether it says youth, women, children, or what; if it is accomplishing nothing we can afford to abandon it here and now. I do not believe that this Council has accomplished anything, and the gentleman is not telling me it has accomplished anything, or that it proposes to.

Mr. PERKINS. I would hate to think that all of the various departments of this Government which are components of this Council have not accomplished anything. We have expended millions of dollars, trying to do something about the problems of a major area, the youth of this country. I believe we are making progress, and the Council should be entitled to continue to exist.

Mr. GROSS. What, by way of example, is this contributing to the progress?

Mr. PERKINS. The gentleman will notice the letter to the Speaker. He can read that letter. Then he will notice, on page 3 of the report, it is stated:

First, early and firm decisions by the Federal Government on the assistance it will make available to communities for summer youth programs.

There has been much coordination between the Government and private industry in the efforts to bring about employment for the youth of this Nation.

Mr. GROSS. Summer is about over, is it not?

Mr. PERKINS. Well, that is just one phase of the Council's work. We have to plan ahead for next summer. I will say to the gentleman. That is one of the problems of this Council. It is a year-round effort to provide opportunities for the youth.

Mr. AYRES. Mr. Speaker, I have no requests for time on this side. I support the legislation. I think the Members can inform themselves about this by reading the 10 points listed on pages 4 and 5 of this report. This organization has primarily been one which encourages and works in various fields within the areas that are now carrying out youth programs. They have been very significant in the field of working with our cities in their Boy Scout programs, encouraging more youths to participate in them.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I thank the gentleman for yielding.

I am interested in what he has said about the youth opportunities organization in the cities, because the city manager of my own hometown just left Washington about an hour ago after having been up here on other business and expressed himself very strongly as being in favor of the work being done in the youth opportunity program. He said it had done a very remarkable job in my own hometown in getting increased activity on the part of youths in constructive enterprises and activities. He thought it was a very, very fine thing and supported it.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman have any examples of coordination in this field? We spent \$200,000 or more here and we propose to spend another \$350,000 here and so on and so on into the wild blue yonder. Does the gentleman have any examples of the coordination that has been attained?

Mr. AYRES. I will say to the gentleman from Iowa that we do not have exhibits A, B, C, and D.

The SPEAKER pro tempore. Did the Chair correctly understand the gentleman from Ohio to say that he had no further requests for time?

Mr. AYRES. Other than what I consume myself.

Mr. Speaker, I yield back the balance of my time.

Mr. PERKINS. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Kentucky that the House suspend the rules and pass the joint resolution, House Joint Resolution 764.

The question was taken.

Mr. HALL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 396, nays 7, not voting 29, as follows:

[Roll No. 138]

YEAS—396

Abbott	Betts	Broyhill, Va.
Adair	Bevill	Buchanan
Adams	Biaggi	Burke, Fla.
Addabbo	Blester	Burke, Mass.
Albert	Bingham	Burllison, Mo.
Alexander	Blackburn	Burton, Calif.
Anderson,	Blanton	Burton, Utah
Calif.	Blatnik	Bush
Anderson, Ill.	Boggs	Button
Anderson,	Boland	Byrne, Pa.
Tenn.	Bolling	Byrnes, Wis.
Andrews, Ala.	Bow	Cabell
Andrews,	Brademas	Caffery
N. Dak.	Brasco	Cahill
Annunzio	Bray	Camp
Ashley	Brinkley	Carter
Aspinall	Brock	Casey
Ayres	Brooks	Cederberg
Barrett	Broomfield	Chamberlain
Beall, Md.	Brotzman	Chappell
Belcher	Brown, Mich.	Chisholm
Bell, Calif.	Brown, Ohio	Clancy
Bennett	Broyhill, N.C.	Clark

Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cohelan
Collier
Collins
Conable
Conte
Conyers
Corbett
Coughlin
Cowger
Cramer
Culver
Cunningham
Daddario
Daniel, Va.
Daniels, N.J.
Davis, Ga.
Davis, Wis.
Dawson
de la Garza
Delaney
Deffenback
Denney
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Dorn
Dowdy
Downing
Dulski
Duncan
Dwyer
Eckhardt
Edmondson
Edwards, Ala.
Edwards, La.
Ellberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fallon
Farbstein
Feighan
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford
William D.
Foreman
Fountain
Fraser
Frelinghuysen
Frey
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallfanakis
Gallagher
Garmatz
Gaydos
Gettys
Glaime
Gibbons
Gilbert
Goldwater
Gonzalez
Goodling
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Grover
Gude
Hagan
Haley
Halpern
Hamilton
Hammer-
schmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harsha
Harvey
Hastings
Hathaway
Hawkins
Hays
Hébert

Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Hogan
Hollifield
Horton
Hosmer
Howard
Hungate
Hunt
Hutchinson
Jacobs
Jarman
Joelson
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Kazen
Kee
Keith
King
Kleppe
Kluczynski
Koch
Kuykendall
Kyl
Kyros
Landrum
Langen
Latta
Leggett
Lloyd
Long, La.
Long, Md.
Lujan
Lukens
McCarthy
McClary
McCloskey
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McKneally
McMillan
Macdonald, Mass.
MacGregor
Madden
Mahon
Mann
Marsh
Martin
Mathias
Matsunaga
May
Mayne
Meeds
Melcher
Meskill
Michel
Miller, Calif.
Miller, Ohio
Mills
Minish
Mink
Minshall
Mize
Mizell
Mollohan
Monagan
Moorhead
Morgan
Morse
Morton
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Konski
Olsen
O'Neal, Ga.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly

Pepper
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Poage
Podell
Poff
Pollock
Preyer, N.C.
Price, Ill.
Price, Tex.
Pryor, Ark.
Pucinski
Purcell
Quile
Quillen
Rallsback
Randall
Rees
Reid, Ill.
Reid, N.Y.
Reifel
Reuss
Rhodes
Riegle
Rivers
Roberts
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roudebush
Roybal
Ruppe
Ruth
Ryan
St Germain
St. Onge
Sandman
Satterfield
Schadeberg
Scherle
Scheuer
Schneebeli
Schwengel
Scott
Sebelius
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Snyder
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Sullivan
Symington
Talcott
Taylor
Teague, Calif.
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Tiernan
Udall
Ullman
Utt
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Wampler
Watkins
Watson
Watts
Weicker
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins

Williams
Wilson, Bob
Wilson,
Charles H.
Winn
Wold

Wolff
Wright
Wyatt
Wydler
Wyllie
Wyman

Yates
Yatron
Young
Zablocki
Zion
Zwach

NAYS—7

Abernethy
Burleson, Tex.
Colmer

NOT VOTING—29

Arends
Ashbrook
Baring
Berry
Brown, Calif.
Carey
Celler
Corman
Diggs
Edwards, Calif.
Fascell
Gray
Gubser
Hull
Ichord
Kirwan
Lennon
Lipcomb
Lowenstein
Mailliard

Gross
Hall
Landgrebe
Mikva
Powell
Rarick
Saylor
Stuckey
Taft
Teague, Tex.
Tunney
Whalley

So (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

The Clerk announced the following pairs:

Mr. Celler with Mr. Arends.
Mr. Carey with Mr. Lipscomb.
Mr. Kirwan with Mr. Saylor.
Mr. Lennon with Mr. Ashbrook.
Mr. Edwards of California with Mr. Mail-
liard.
Mr. Teague of Texas with Mr. Taft.
Mr. Hull with Mr. Berry.
Mr. Baring with Mr. Gubser.
Mr. Stuckey with Mr. Whalley.
Mr. Ichord with Mr. Brown of California.
Mr. Diggs with Mr. Lowenstein.
Mr. Fascell with Mr. Gray.
Mr. Corman with Mr. Rarick.
Mr. Tunney with Mr. Mikva.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

NATIONAL CENTER ON EDUCATIONAL MEDIA AND MATERIALS FOR THE HANDICAPPED

Mr. PERKINS. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1611) to amend Public Law 85-905 to provide for a National Center on Educational Media and Materials for the Handicapped, and for other purposes, as amended.

The Clerk read as follows:

S. 1611

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of September 2, 1958 (Public Law 85-905) is amended—

(1) in section 3, by adding at the end thereof the following new subsection:

"(c) (1) The Secretary is authorized to enter into an agreement with an institution of higher education for the establishment and operation (including construction) of a National Center on Educational Media and Materials for the Handicapped, which will provide a comprehensive program of activities to facilitate the use of new educational technology in education programs for handicapped persons, including designing and developing, and adapting instructional material, and such other activities consistent with the purposes of this Act as the Secretary may prescribe in the agreement. Such agreement shall—

"(A) provide that Federal funds paid to the Center will be used solely for such purposes as are set forth in the agreement;

"(B) authorize the Center, subject to the Secretary's prior approval, to contract with

public and private agencies and organizations for demonstration projects;

"(C) provide for an annual report on the activities of the Center which will be transmitted to the Congress;

"(D) provide that any laborer or mechanic employed by any contractor or subcontractor in performance of work on any construction aided by Federal funds under this subsection will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act (40 U.S.C. 276a-276a-5); and the Secretary of Labor shall have, with respect to the labor standards specified in this clause, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z-15) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

"(2) In considering proposals from institutions of higher education to enter into an agreement under this subsection, the Secretary shall give preference to institutions—

"(A) which have demonstrated the capabilities necessary for the development and evaluation of educational media for the handicapped; and

"(B) which can serve the educational technology needs of the Model High School for the Deaf (established under Public Law 89-694).

"(3) If within twenty years after the completion of any construction (except minor remodeling or alteration) for which such funds have been paid—

"(A) the facility ceases to be used for the purposes for which it was constructed or the agreement is terminated, unless the Secretary determines that there is good cause for releasing the institution from its obligation, or

"(B) the institution ceases to be the owner of the facility,

the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated."

(2) in section 2, by adding at the end thereof the following:

"(5) The term 'construction' means the construction and initial equipment of new buildings, including architect's fees, but excluding the acquisition of land;" and

(3) in section 4, by striking out "and" after "1969," and by striking out "1970" and all that follows and inserting in lieu thereof the following: "1970, \$12,500,000 for the fiscal year ending June 30, 1971, \$15,000,000 for the fiscal year ending June 30, 1972, and \$20,000,000 for the fiscal year ending June 30, 1973, and for each succeeding fiscal year."

The SPEAKER pro tempore. Is a second demanded?

Mr. REID of New York. Mr. Speaker, I demand a second.

Mr. HALL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HALL. Is the gentleman from New York demanding a second opposed to the bill?

Mr. REID of New York. Mr. Speaker, in response to the gentleman from Missouri, I am not opposed to the bill.

Mr. HALL. Mr. Speaker, I am opposed to the bill in its present form, and I demand a second.

The SPEAKER pro tempore. Without

objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Kentucky is recognized for 20 minutes.

Mr. PERKINS. Mr. Speaker, the bill (S. 1611) to amend Public Law 85-905 to provide for a National Center on Educational Media and Materials for the Handicapped, and for other purposes, is essential legislation and should be promptly enacted by the membership of this House. This legislation will greatly expand the scope of educational opportunities available to the handicapped children of this country. The action to be taken under authority of S. 1611 is long overdue. We were told at the hearings conducted this year that there are today handicapped children who are not in any educational program and many others who are in educational programs that do not meet their special needs. In fact, we were told that 60 percent of the 5½ million handicapped children in our Nation today do not receive adequate educational programs and that there is only one teacher or speech therapist for every three professionals needed.

Mr. Speaker, I cite these facts only to emphasize that a problem exists and that the need for action is now.

Projects developed under the leadership of the Captioned Films for the Deaf program and the Instructional Materials Centers programs in the Bureau of Education for the Handicapped have demonstrated that new and more efficient methods of instruction can be developed for handicapped children. These programs use the latest in technological advances to remediate the handicapping conditions of children and to increase the effectiveness of the learning process.

The time, Mr. Speaker, has come to consolidate the various efforts that we have been making over a period of years into a center, the proposed National Center on Educational Media and Materials for the Handicapped. This Center would provide a means for the development of a specialized curricula, media and methods to be used in the education of handicapped children. Second, it would adapt, develop, test and evaluate as well as advise instructional units.

Third, it would serve as a clearinghouse for all of the research that has been undertaken to benefit handicapped children.

Fourth, train people in the development of these materials.

Fifth, provide teachers from all over the country with a central point for obtaining information in order to increase their own resources and to assist in the distribution of a validated learning system.

This legislation, to me, is timely, in terms of the needs of our children, the development of the field of education of the handicapped children, and the technology of the learning sciences.

This legislation is timely in terms of the needs of our children, the development of the field of education of handicapped children, and the technology of the learning sciences.

As never before the American people

are recognizing the importance of human resources. Most handicapped persons can become contributing members of our society if we will provide them educational opportunities. This is the time to act upon this legislation.

Handicapped persons have demonstrated over and over again their ability to profit from educational programs and to become excellent workers. Without an educational opportunity the handicapping condition may become completely disabling. In the most severe instances this will require total care over the individual's entire lifetime. If this does become the case the financial cost to society will be at least \$180,000 for extra care. We know from Labor Department statistics that if we educate a handicapped person to the equivalent of an elementary school education he can be expected to earn approximately \$225,000 in his lifetime. This does not reflect the benefits to the human being that result from the individual's independence nor the benefits that come to the family because this family member is able to work and be a part of the everyday world.

The testimony of many successful programs bears evidence that educators, government officials, businessmen, and legislators can work toward the development of human resources, now perceived to be essential to a living society. The National Center of Educational Media and Materials for the Handicapped sets forth a rationale for an effective linkage in a partnership among businessmen, civic leaders, educators, and administrators confronted with the challenge of training. It will bring together a backlog of experience, proven techniques, programs, and management assistance to accomplish defined training goals in the best possible way and at the same time at the best possible price.

The National Center will be able to provide public visibility for the unique learning problems of children who are handicapped. Since the center will be university based it will be able to call upon the entire resources of the university as well as the business and education community dollars spent on such a program at this time are an investment easily justified in hard economic terms. As I stated earlier, without such programs some handicapped persons will be institutionalized for life at an expense to the taxpayers of an estimated \$180,000, or if this individual ends up on relief with a family of four, society can expect to pay \$75,000 during his lifetime. This does not take into consideration the antisocial behavior that failure to establish programs for these people may breed.

The most valuable resource that America has is its human resources. The central objective of the center is to assure that the best possible means of approaching this problem are made available to all educational programs for the handicapped. It will be a vital nerve center for the already established network of instructional material centers and associated research activities in the area of systematic use of media and materials in the education of handicapped children. Concentrating dollars

in this area will bring together all interested parts of the total community to assure that duplication does not take place. For example, ideas and programs developed by a number of agencies such as the Veterans' Administration, Social Rehabilitation Services, and the Public Health Services will be available to educators through this center as well as new breakthroughs developed from research in the field of education.

It is strikingly clear that the time is right for this center, and past development in education, technology, and in Government have created an atmosphere that demands the development of this center now.

It is a wise investment of scarce dollars at this time because concentration of dollars here may provide new ways to meet the personnel shortages in education of handicapped children, develop new ways to provide this education so that the few well trained and qualified professionals in this field can reach more children. Most important of course is that more handicapped children will gain a chance to grow up to participate in American society as a contributing member of that society rather than a burden to that society. I cannot urge you too strongly to support the legislation we consider today.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PERKINS. Yes, I yield to the gentleman from Iowa.

Mr. GROSS. Where are the departmental reports concerning this bill?

Mr. PERKINS. Well, the reports that we have had consist of the testimony of departmental witnesses.

May I point out also that this is a Senate bill. The legislation was passed in the Senate. I will be perfectly frank with the distinguished gentleman from Iowa in saying that we do not have specific reports of support from the administration. However, I introduced some time ago H.R. 11785 and referred the bill to the select Subcommittee on Education of the distinguished gentleman from Indiana (Mr. BRADEMANS), who has conducted lengthy hearings and who has done a good job thereon.

Mr. GROSS. Mr. Speaker, if the gentleman will yield further, how many years ago was that that the gentleman introduced such a bill?

Mr. PERKINS. I introduced it this year in the House. We reported the Senate bill instead of the bill that I introduced.

Mr. GROSS. The gentleman does not disclaim this report, does he? This is your report?

Mr. PERKINS. This is our report.

Mr. GROSS. And there is not one scintilla of evidence of what any executive agency, including the Bureau of the Budget, thinks of this almost unlimited expenditure.

Mr. PERKINS. Let me first say that there is a most definite limit on expenditures in this bill. Then let me say to the gentleman from Iowa that the subcommittee thoroughly considered the bill, the full committee carefully considered the bill, and the Senate committee considered the bill and reported the bill, and it was passed in the Senate, and we re-

ported out the Senate bill. Our committee consideration this year included testimony of the head of the Bureau of Education for the Handicapped in the U.S. Office of Education.

So I do think, notwithstanding the Department reports of support are not present, the bill has been carefully considered, and everybody acknowledges that this center is badly needed.

Mr. Speaker I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman from Kentucky has consumed 7 minutes.

Mr. HALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to say in the beginning that I have probably worked as much with the handicapped as anyone in this room. I feel a built-in humanitarian kindness for the handicapped. I am well aware that most of them have been examined, reexamined, surveyed, and resurveyed many, many times, but I am still in favor of the handicapped. I know that in these days they are considered "sacred cows."

Mr. Speaker, I do not believe that it is necessary that we even argue in connection with S. 1611, which is before us under a suspension of the rules today that there might need to be a national or Federal center for coordination of the work for the handicapped. Let us assume that we need that, to begin; that, as the gentleman from Iowa (Mr. Gross) has pointed out, there are no departmental reports indicating past or present administrative support for this. This funding is not budgeted. This authorization is one of those that comes in to us so often, which we pass when we march on the floor by rote, because a nice fellow said it ought to be this way, or because it is a sacred cow, and no one wants to be against love, motherhood, or little children.

Then it comes back to haunt us in an appropriation bill such as we handled on last week, and went \$2.3 billion over the funded appropriation for the prior fiscal year. These birds just come home to roost. I do not believe this ought to be considered under a suspension without the right of amendment, and I do not believe it ought to be considered by rote by people jumping over the stile and being counted, without having even read the bill.

This is an open-ended bill that goes on, ad infinitum, and if you do not believe it read the bottom of page 2 of the report which very frankly tells us so. It says that the bill would increase appropriations for the existing act from \$10 million in fiscal year 1971 and each year thereafter to \$12.5 million in 1971, \$15 million in 1972, and \$20 million in fiscal year 1973, and each succeeding fiscal year thereafter.

Now, if that is not open-ended, unlimited, and an ad infinitum authorization, then I do not know what is.

Now, then, to get more practical about the matter, let me ask the distinguished chairman who heads the Committee on Education and Labor if it is contemplated in this ad infinitum authorization of \$20 million a year, that we will pay for the building out of that amount?

The gentleman very frankly said a while ago, and I appreciate his forthrightness, that he did not know how much the building would cost.

I want to tell the Members of the House that we are not even going to own the building in fee simple. It is going to be on the campus of some college yet to be selected. Whether we can expand that building, as the gentleman from Kentucky plans, based on the foundation we will originally lay down, whether we will be back for more authorization and appropriations with which to build the building, or whether we will indeed control it after it gets on this campus, is a series of questions to which this House of Representatives should properly address itself.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the gentleman for a short answer to those multiple questions.

Mr. PERKINS. First, let me make it perfectly clear that we provide in the bill that the Secretary of Health, Education, and Welfare shall operate this Center—and it is true it is to be constructed after the Secretary enters into agreement with some institution that has demonstrated the necessary capabilities and knowing how to deal with handicapped children that he will contract with some institution.

Mr. HALL. Mr. Speaker, if I may interrupt the gentleman, I yield to the distinguished gentleman for an answer to my question. We can all read the bill and I think every one of us who is interested in this bill has read the bill and the report, as I have tried to indicate. It is true that the bill does provide that the Secretary will operate it and he would provide Federal funds to the center for the sole purpose set forth therein, and they will authorize the center subject to the Secretary's prior approval. He will provide an annual report to the Congress and he will provide for the Davis-Bacon Act and the Walsh-Healey Act—we never forget that one.

But be that as it may, would the gentleman tell us in as clear and as succinct a manner as he can, where it says that this is a closed-end fund or that he will not be back asking for more appropriations, or whether or not he will build this building or needed center out of the existing \$20 million a year that goes on unlimited, or whether there will be a separate appropriation therefor.

Mr. PERKINS. Let me state to the distinguished gentleman, if he will turn to page 4, he will see that we are only authorizing funds through June 30, 1973, and for each succeeding fiscal year thereafter the sum of \$20 million, if it is necessary, to complete the building.

It is contemplated that the funds authorized here commencing in the fiscal years 1971, 1972, and 1973 be used for the construction. It is very clear that we do not intend for any of these funds to be used for the acquisition of land because it is contemplated that the university that makes it available should make a site available free of charge to the Government.

Mr. HALL. What would be the rever-
sionary clause to the Government, if it

is on school property, in case we needed it to enlarge the building? Would the gentleman answer that? Will that be in the contract?

Mr. PERKINS. That will be in the contract. It will have to be in the contract in view of the language of this bill because if there is a disagreement, or I mean if something happens within the next 20 years, it would be a question of fact as to the value and it would have to go into the district court. That certainly would have to be a part of the contract.

Mr. HALL. I appreciate the gentleman's statement, but it is not so written in the bill. The bill is open ended and unlimited and goes on ad infinitum. Further, there are no departmental reports and I would point out in summary, simply in order that I may yield to others, that there is bad timing in this open door type of authorization. Again, I repeat, this kind of authorization which we pass so glibly comes back to haunt us when the appropriation therefor comes up.

Mr. Speaker, I reserve the balance of my time.

Mr. PERKINS. Mr. Speaker, I yield 6 minutes to the distinguished gentleman from Indiana (Mr. BRADEMÁS), coauthor of the bill.

Mr. BRADEMÁS. Mr. Speaker, I am pleased to rise in support of S. 1611, a bill to create a National Center for Educational Materials and Media for the Handicapped.

I am pleased to have been a sponsor of an identical bill, H.R. 11785, together with the distinguished chairman of our committee, the gentleman from Kentucky (Mr. PERKINS) and the distinguished ranking minority member, the gentleman from Ohio (Mr. AYRES) as well as the gentleman from Minnesota (Mr. QUIE), of the subcommittee of which I have the honor to be chairman and of which the ranking minority member is the gentleman from New York (Mr. REID), which committee heard a number of witnesses on this legislation.

I think all of us during the course of our hearings were struck by the enormity of the problems facing handicapped children in this country.

It is estimated that there are between 5 million and 7 million children possessing handicaps of such severity and seriousness that they require special education.

Witnesses from the Office of Education told our subcommittee that only a third of these children are presently receiving the kind of special education that their various maladies require.

The administration's experts, moreover, told us that so serious is the shortage of special educational personnel, such as teachers of the handicapped, that today is a need for some 325,000, but only 75,000 approximately are available. What this means is—and I make this point because I think it dramatizes the seriousness of the problem—that approximately 40 percent of these handicapped children—the deaf, the blind, the mentally retarded, others who cannot speak—are without the special educational services and treatment they require.

The bill before us seeks to move in the direction of remedying this deficiency by establishing, in connection with a university, particularly a university that has

shown itself to have great strength in the training of experts in the field of working with handicapped children, of a national center, a center which could be described in the language of Dr. James Gallagher, who is the Associate Commissioner of Education, in charge of the Bureau of the Handicapped, in testimony before our committee, in the following words, which are drawn from his statement in the hearings:

A National Center on Education and Materials, such as were suggested in H.R. 11785, would provide an environment where people with expertise and interest in educational technology for the handicapped might gather to provide a manpower pool and where additional individuals could be trained in the actual development of appropriate materials and media for handicapped children. Such a center could allow a comprehensive program of activities designed to facilitate the use of new educational technology.

I think we are impressed by the fact that during the last 5 years the Bureau of Education for the Handicapped has developed some 14 instructional material centers for the handicapped across the country. There are, in addition, some four regional media centers for the deaf. As an offshoot of this program 145 affiliate centers have been developed across the Nation.

So there is in effect a kind of network, and I am sure every Member of this House has talked with citizens in his own district who are deeply concerned about the problems of educating handicapped children, and who come to us and ask for our assistance. If we had in existence a national center of this kind, we would be able immensely to enhance the effectiveness of groups across the United States concerned with education of the handicapped.

Mr. Speaker, it was suggested that we had not heard from the executive branch of the Government on this bill. That is not completely accurate. The fact of the matter is that the administration expressed its views on this bill, through the person and testimony of the Associate Commissioner of the Office of Education, Dr. Gallagher, and that Dr. Gallagher in the hearings, as I have already indicated, spoke very highly of the kind of national center contemplated in S. 1611.

It ought to be added, in all candor, that Dr. Gallagher said he was unable to recommend approval of the bill. Here however, is what Dr. Gallagher, after having given us a marvelous statement about why such legislation was a superb idea, said, when I asked him about the bill:

In the meantime—

And this is what my friend from Iowa might well say—

we do have to face the realities of a stringent budget. Therefore, we are unable to recommend approval of H.R. 11785 at this time, although we support its objective of extending additional educational opportunities for handicapped children.

I said in response:

Thank you very much, Dr. Gallagher. As I understand your position, you think this is a great idea but not now.

Dr. Gallagher replied:

That about sums it up, Mr. Chairman.

Well, it does not seem to me, Mr. Speaker, that we in the House of Representatives ought to be bound in a situation where there is such obvious need for action indicated by that kind of response. Clearly, speaking as an expert, the witness from the Office of Education who appeared before us, from the administration strongly endorsed the concept of the National Center, though not perhaps this immediate bill.

I think the House of Representatives ought to go overwhelmingly on record for this bill, and I would hope there is not a single vote against a measure that can do more than any other measure I have seen in a long time to enhance the prospects of education desperately needed by millions—not thousands or hundreds of thousands, but by millions—of children in our country who are not blessed by the Almighty with the faculties of speech and hearing and sight that the rest of us enjoy.

Mr. Speaker, the bill authorizing the National Center on Educational Media, and materials for the handicapped should be passed.

Mr. HALL. Mr. Speaker, I yield 4 minutes to the gentleman from New York (Mr. REID).

(Mr. AYRES (at the request of Mr. REID of New York) was granted permission to extend his remarks at this point in the RECORD.)

Mr. AYRES. Mr. Speaker, my colleagues in the House are well aware of my concern for sound fiscal management and know that I would not advocate the expenditure of funds without justification. To me, Federal aid is like a powerful medicine and must be carefully applied, and if Federal support is poorly designed it can weaken rather than strengthen the persons it is attempting to assist. I am cosponsoring this legislation today because I believe that it can cause the ferment which will produce and develop a better educational system for handicapped children without massive expenditure of funds.

I have read the testimony of Dr. Gallagher of the Bureau of Education for the Handicapped and the other distinguished witnesses in our hearings. I am convinced that the most economical way to bring educational technology to the 5½ million handicapped children is to support a National Center for Educational Media and Materials. I also believe that a system of carefully programing, research, training, demonstration, and service can be developed at such a center.

Of particular interest to me is the fact that this bill would provide for the dissemination of information concerning the latest developments and breakthroughs made in special educational techniques for the handicapped. All too often, information concerning some breakthrough by a brilliant researcher or teacher is not relayed across the country so that others may share in the benefits and fruits of this discovery. There is a great need to consolidate the resources which are available and to pool the existing knowledge so that the best minds now working in the field can be utilized in developing and producing training materials which can benefit lit-

erally thousands and even millions of handicapped children all over the Nation.

Mr. Speaker, the National Center on Educational Media and Materials for the Handicapped will make this aspiration a reality; and enactment of this legislation will demonstrate our belief that the handicapped should enjoy a measure of the resources of our great country.

The time has come to untie the hands of special education teachers who have been hampered by the lack of adequate resources and educational media for their handicapped students. The National Center will make possible the development and creation of teachers' resources by providing them with specially developed curricula media and other methods so that we can move toward our national goal of educational opportunity for every child, regardless of handicap.

Mr. Speaker, in wholeheartedly supporting this bill, I am reminded of the great English historian Arnold Toynbee's observation that the 20th century may well be remembered in the future as the age when mankind first began to accept the responsibility of providing adequate opportunities for all of its citizens. This bill exemplifies what I think led Mr. Toynbee to his observation.

(Mr. QUIE (at the request of Mr. REID of New York) was granted permission to extend his remarks at this point in the RECORD.)

Mr. QUIE. Mr. Speaker, the Federal legislative history on behalf of the handicapped is quite clear as to the point of origin for action. Regardless of administrations, it appears that it has fallen to the Congress to initiate, advocate, and develop legislation for this field. I can recall in 1966 that the Office of Education discontinued the Division of the Handicapped under the Elementary and Secondary Education Act and, only after pressure from the Congress, did they initiate a study to determine whether the needs of the handicapped were so unique that they required a separate bureau. The Office of Education's study never produced any concrete recommendations. Members of the House felt that the problems and needs of the handicapped were unique and required a separate focus and thrust, and through an extensive bipartisan study finally brought about action in the Congress which created the new Bureau of Education for the Handicapped. I can say without reservation that the contributions made by the Bureau in its two short years of life have been significant and have more than justified our decision to act. I give this to you as history to indicate why this bill is necessary.

Last year we received assurances that a new Bureau of Vocational Education would be established. It was because of this assurance that the Congress left the requirement out of the Vocational Education Amendments of 1968. I expect Commissioner Allen to upgrade vocational education, but if such action is not forthcoming, I am sure that the Congress will have to initiate some action of its own.

Today, once again, we have legislation before us which the administration indicates is necessary and valuable and

will eventually "come to the Congress to seek authority for." I feel that as in the past the handicapped are being short-changed with a low priority status, and it is the Congress working its will through this bipartisan action which will make a national media center a reality. I am anxious to see this legislation passed now, begin planning in 1970 and not wait for the Department to consider the question in 1971, so that the progress which has been made under captioned film for the deaf and other related programs will continue to develop and grow.

It is my feeling that, for maximum efficiency in reaching those three out of every five handicapped children who are not being currently served by special educational programs, every effort be made to coordinate all of the scarce dollars that are going into developmental programs at Federal, State, and local levels. The investment by the State and local governments in special education is an impressive one. I understand that over \$1 billion have been spent for education of handicapped children during the last fiscal year outside of the Federal Government. It is rather startling that even with this investment we have not been able to meet the needs of more than two out of every five handicapped children. Certainly these children and their families are entitled to equitable educational opportunities as are all American children. The support of this national center at this time seems to be a rather wise and prudent investment as well as a very modest effort on the part of the Congress.

This program would encourage the applications of automated instruction and self-instructional strategies and techniques where these appear to be the best choice for achieving learning objectives. The special center teacher can more efficiently concentrate on the critical function of individual diagnosis, prescriptive teaching and motivation thus expanding her talents to more children.

The proposed national center's activities are necessary and will expand the opportunities for helping to upgrade the educational services for all handicapped children. This legislation is urgently needed and I recommend all of my colleagues join in its support.

Mr. REID of New York. Mr. Speaker, there are just a few points I would like to make today. First, this bill was reported and acted on unanimously in the other body. It was reported unanimously from the subcommittee and by the full Committee on Education and Labor. It enjoys bipartisan support. Essentially, this bill deals with starting to meet a national problem affecting the blind, the deaf, the mentally retarded, the physically handicapped, the emotionally disturbed, those with learning disabilities—in a word, all the handicapped.

The gentleman from Missouri has quite correctly, in my judgment, said that this bill might have benefited from a rule. It comes to the floor under a different procedure. But I would suggest that the bill meets a very pressing national problem, and, to mention just one statistic, I would note that today only 40 percent of the Nation's more than 5 million handicapped children are receiving the appropriate special educational

services which are necessary because of their handicapped condition, and only 75 percent of the 300,000 specialists needed are available to work with the handicapped.

I would point out also, as my colleague on the committee, the gentleman from Indiana (Mr. BRADEMAS), has pointed out, that Dr. James Gallagher, the Associate Commissioner of Education, while not supporting the bill essentially, as I understand it, for budgetary reasons, did state explicitly on behalf of the administration that they support the objective of extending additional opportunities for handicapped children. I think as the gentleman from Missouri has pointed out, there is no lack of unanimity on the broad purposes and on the need, indeed, for a national center.

I would like to point out, however, on behalf of the gentleman from Minnesota (Mr. QUINN) that he personally is not convinced that the legislative record should show that there is an absolute need for constructing of a national center. It is his feeling that a decision should not be made until all the facts are in on existing facilities available at institutions of higher education.

I would add for myself that the record seems to be clear that a special center is necessary and that it is probably a false economy not to build a center that can take care of the very special requirements needed in developing training aids for the handicapped children. The Bureau of Education for the Handicapped has already attempted to remodel existing facilities and have found the results to be generally unsatisfactory.

Production studios require sound treatment, extensive special lighting, and high ceiling spaces which are not available in most buildings. Even after such remodeling the technical results have often been of limited quality. It is generally considered false economy to seek savings in remodeling structures that were never designed to meet the special needs of this center.

I would urge the House to support this bill on the basis that the need is totally clear. Our handicapped children desperately need help.

We are providing assistance to many poverty stricken children throughout our country, and some who are in the greatest need of all, the handicapped, and some who have the highest motivation if they but be given an opportunity, have not had the kind of help I believe our country should and must provide.

Mr. Speaker, there is a great need to attain the goal of equal educational opportunity for all children—not excluding those who are handicapped.

Such a vital need can be filled by providing a means for the development of specialized curriculums, media, and methods to be used in the education of these handicapped children. The bill to establish a National Center on Education Media and Materials for Handicapped Children, which we are considering today, will provide this means.

We must close the gap between the numbers of children who need special education and those who are presently receiving it. There must be a constant and diligent check on the manifold prob-

lems facing the growing numbers of handicapped children in our Nation.

There has long been a need to create a National Center which could serve as a clearinghouse for educational media, materials, and curriculums. The development and increased use of education and media materials for handicapped children that will be provided for by the National Center will improve education for these children.

Since the passage of Public Law 88-164 in 1963, research has been conducted on the unique learning characteristics of the handicapped child; however, such information is of little value unless it can be translated into media and methods which classroom teachers in schools throughout the country can use to help handicapped children to learn more effectively. Steps have been taken by the Bureau of Education for the Handicapped to develop a national network of Instructional Materials and Media Centers to serve such a purpose.

Three major functions have guided the development of these centers: First, service; second, research and development; and third, stimulation of materials and media production.

The service function includes: First, the acquisition of commercial and teacher prepared instructional materials; second, the description, classification, and organization of these materials; and third, the dissemination of materials and information to educators.

The research and development function includes the evaluation of instructional materials and the development and production of new materials on a pilot basis for experimental trial or demonstration in order to establish their effectiveness.

The stimulation of production function includes: First, contacting the organizations which have production capacity—curriculum workshops or projects and commercial publishers—and encouraging them to produce materials which have been found to be effective in the research phase; and second, consulting with producers to assure that ideas which may have merit are given consideration.

Mr. Speaker, the existing 14 instructional Materials and Media Centers are providing direct service to local education agencies and their staffs are making a major contribution to the teachers in the classroom. It is at this level that we can begin to see the effects of our national efforts on the actual learning of children.

As presently constituted, the special education information network is composed of 14 instructional materials centers, four regional media centers, specifically concerned with captioned films and other materials for the deaf, the ERIC Clearinghouse on Exceptional Children, the American Printing House for the Blind, and approximately 145 affiliate centers, established through State departments of education, colleges and universities, and local communities. I am pleased to see that the Bureau of Education for the Handicapped of HEW has continued to devote its talents and resources to this program, and that steps are being taken to enhance the work of the entire network.

I would like to emphasize one vital component of this system; to answer specific questions of individuals, teachers, or groups throughout the country. It is through this function that one of the major needs of special education is being met. It is possible for the teacher, specialist, or administrator in special education to direct a question related to any aspect of special education to this nationwide network. Once the request is received it is matched against the stored data and any material relevant to the question is retrieved by the computer. This capability permits the individual to receive specific answers to specific questions within a very short period of time. The value of this service has only begun to be realized, but already answers are being provided for approximately 500 requests every month.

Ultimately the network hopes to develop a complete and comprehensive base of all information relevant to the education of handicapped children. It is anticipated that teachers, researchers, administrators, specialists and others working with handicapped children will be able to receive the information they need in a form that will enhance the efficiency with which they educate handicapped children. It is planned that these channels will be established at local, State, and regional levels, utilizing universities, IMC affiliate centers, and local school districts.

Mr. Speaker, it is anticipated that the National Center on Educational Media and Materials for the Handicapped will serve as a vital link in the total instructional materials and media network. As a national center it will provide public visibility for the unique learning problems of the handicapped. This should be most helpful in encouraging greater participation on the part of other Government agencies as well as private enterprise in meeting those problems. I also envision this Center exploring sophisticated systems of instructional technology as they apply to the particular learning needs of handicapped children. In this regard we note that the Center will be university affiliated and will thus have expertise from disciplines outside of the education field as an additional resource. Finally, it is my hope that the Center will become an active part of a larger distribution system that will take the findings of research, translate them into pedagogical approaches, develop the necessary media and systems, and most importantly, deliver them to the teacher and the child and help the teacher assess their effectiveness.

In 1967, I enthusiastically supported the legislation which expanded the captioned films for the deaf program into a broader program of educational media for the handicapped. The captioned films for the deaf program has been a model in that it unlocked new avenues of learning for the deaf. Similar work is needed for all of the handicapped. I am pleased that recent research has begun to demonstrate that new learning avenues can be opened for other handicapped children if the appropriate materials and methods are made available. Educators have found that through prescribed instructional programs the learning disabled child can be taught to read; with

improved Braille systems the blind child can better communicate; and with more sophisticated curricula the mentally retarded can become productive members of society. I am pleased to note that this legislation extends the authority for the provisions on Educational Media for the Handicapped and that the proposed Materials Center will serve all of the handicapped in an equitable manner.

Mr. Speaker, I extend my strong support to S. 1611 and commend the chairman of the subcommittee, the gentleman from Indiana (Mr. BRADEMAS), for his leadership in improving the education of handicapped children. I ask all of my colleagues for their unanimous support.

Again, I thank my colleague from Missouri for yielding.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the gentleman yielding.

Mr. Speaker, I rise in support of S. 1611. There is an unprecedented opportunity today for making a significant change in the education of handicapped children. During the past decade the Congress has developed a greater awareness of the untapped potential of handicapped persons. Our awareness has been most appropriately reflected in the Federal legislation we have passed. The job of providing for the needs of all of these children and their families, however, is far from complete. Many handicapped children are still not being afforded any educational opportunities. Investment of our scarce resources at this time is not charity; it is efficient management of human resources. Most handicapped individuals, if given an educational opportunity, will be productive, contributing members of society rather than a burden to it.

The National Media Center represents an opportunity to bridge a part of the gap in current services. It will bring the educator, the materials, industries and the Government together in a major effort to develop, test, evaluate and revise instructional materials. The National Center will innovate, validate, and distribute instructional materials through the existing nationwide informational media system.

The Center will maintain an information file on all research programs developed for the handicapped, not only those programs supported by the Office of Education, but those programs financed by the Veterans' Administration, Social and Rehabilitation Service, the National Science Foundation, National Aeronautics and Space Administration, and Department of Defense. It is my hope that all materials, strategy or equipment developed by any agency that operates within the concepts of public domain would be available to the Center for development and distribution to educational programs for the handicapped. The development of validated instructional materials made available on a wide scale distribution program would have the effect of increasing the efficiency of professionals in this field so that they may reach many of the chil-

dren not now being served by special education programs today.

The bill directs that the university selected to house the National Center have a full range of disciplines available in its facility to serve as resources to the Center. Therefore, I feel that the National Center should be able to draw upon technological scientists, social scientists, behavioral scientists, biologists, physiologists, as well as special educators. I hope that the National Center will maintain a very close relationship with all model centers serving the handicapped as well as with the instructional-materials centers.

The National Center is to become an integral part of an existing network of media centers. I am proud that the State of Wisconsin has been a leader in the development of media material for the handicapped and, in fact, established one of the original two prototype models upon which the system is now based. To better understand the instructional media center network, I am inserting in the RECORD at this time two articles that were published in the Council for Exceptional Children's journal, *Exceptional Children*, of December 1968, written by leaders in this field from the University of Wisconsin:

AN OVERVIEW OF THE IMC NETWORK

(By James J. McCarthy)

The Instructional Materials Center Network for Handicapped Children and Youth (IMCNHCY) is a federation of regional Instructional Materials Centers (IMC's) whose primary client is the special educator and whose region of service is the continental United States, Hawaii, Alaska, Puerto Rico, and the Virgin Islands. Although there is a lag between the Network's accomplishments and aspirations, this gap is closing at a rapid rate as new service and research roles are being assimilated. The Network can be a boon to special educators who know how to use it and what it can do for them.

To many special educators hearing about it for the first time, the Network may seem to be a complicated monolith which is sprung suddenly full blown from the impersonal council of the omnipresent federal government and which really has little personal value for them. Nothing could be further from the truth.

The purpose of this article is to dispel this concept by providing an overview of the Network's development. It should be stated at the outset that the Network is designed to become a permanent organization locally controlled and locally funded. It is to serve and be guided by special educational personnel to help them better serve handicapped children. Network services are, or will be, available to every special educator in the United States.

HISTORICAL PERSPECTIVE

The Network consists of 14 Instructional Materials Centers (IMC's) and CEC-ERIC. Each regional Center is developing regional satellite centers, which may be stationary or mobile and have simple or elaborate service structures, depending on local needs, resources, and commitments. In some cases, Centers are hundreds of miles away from clients in their region and a satellite center is the only means of providing personalized service.

The IMCNHCY has a federal advisory board which is developing an information storage and retrieval system and a system of communication and coordination whereby all parts may be articulated. It is analogous to a corporation in which the stockholder is the special educator.

The beginnings of the Network were quite

unelaborate, although they did contain the seeds of the growing and evolving structure seen today. That a Network such as this could develop was, I feel, foreseen in the beginning. What was not foreseen was the spectacular and unprecedented growth of a new type of major and permanent element in special education which appears to be a uniquely American contribution.

In 1964, two prototype IMC's were funded by the US Office of Education under PL 88-164, Title III. President Kennedy's Task Force on Rehabilitation and Education had originally conceived the idea of Instructional Materials Centers in Special Education from its inspections of overseas nations. Traditionally, continental special educators have made more of their own instructional materials than have their American counterparts and many European special educators are actually certified to teach because, in part, of their skills in materials production. The mid-twentieth century attitude in the United States seemed to be that commercial America had the resources to design and produce instructional materials in special education and that this task, properly executed, required expertise and resources (e.g., advanced psychology and learning courses, statistics and experimental design, and production facilities) not available to teachers. Moreover the teacher was considered a practitioner, not producer; his or her time was to be actively spent in the teaching role. The teacher was seen as analogous to the physician who uses surgical instruments and drugs, but doesn't usually design, create, or test these things.

Although the President's Task Force did not specify the nature of IMC's, the prevailing American attitudes in special education strongly suggested directions. The original IMC's would collect extant instructional materials in or related to special education; catalog, loan, store, and retrieve such materials; consult with teachers and student teachers; publish acquisition lists and informational pamphlets; hold inservice meetings; help others who wished to initiate their own Centers; and even attempt to produce an item or two. They promised attempts at materials evaluation and design.

Within 2 years, these prototype Centers had demonstrated that they could prepare themselves to provide needed services in special education. However, they had not convincingly demonstrated the ability to design, evaluate, or produce instructional materials. In addition, though various experiments had been tried (e.g., mail order materials borrowing), the prototype Centers' services were restricted to a relatively small geographical region. Certainly, for the Centers to be of value, services needed to be extended to wider areas. Thus, in 1966, 8 additional regional Centers were funded, bringing to 10 the number in existence at that time.

Although every regional Center will eventually be locally funded, the initial years were largely funded by federal dollars. The government's mounting investment resulted in considerable planning at the federal level which, in retrospect, can be viewed as the next developmental stage of the Network. In 1966, a meeting of Center directors was held in Madison, Wisconsin. At that time, an organization was formed (later called the IMCNHCY), and a chairman was elected. Simultaneously, an IMC Advisory Committee was formed with the US Office of Education.

At this time:

1. Definitive service regions for each Center were agreed upon in order to avoid overlap and to identify parts of the country yet unserved.

2. Each Center declared those areas of handicap for which it would process instructional materials (e.g., mental retardation, visual impairment, etc.) according to the competencies of its staff. This knowledge made it possible to refer client requests to appropriate Centers should the Center originally queried not stock the desired materials.

Through the establishment of more regional Centers, the number of special educators reached with services increased; however, this still represented a small percentage of the total. It was apparent that hundreds more of these Centers would be needed to cover the country adequately, and this was patently impossible. The solution came from the IMC Advisory Committee, which advised:

1. The regional Centers should assist in establishing satellite centers within their respective regions, adequate in size and scope to collectively service all clients in their regions. These centers would eventually be locally funded, locally controlled, responsive to local needs, and related to respective regional Centers. This last point is critical for it allowed great economies. It meant that expensive consultation, assistance with inservice training, search and retrieval of information on materials, and other services were freely available to each satellite center which could, therefore, retain a fairly small staff and a locally responsive collection of materials with the assurance of help from the regional Center when special needs arose.

2. Evidence of regional preplanning must be required of proposals for regional Centers from areas of the country not yet covered, so that parts of large states (or several small states) would agree upon how their entire region was to be served.

Thus, by 1968, 14 IMC's collectively service the entire country. About eighty satellite centers have been established and 300 to 400 professional staff persons are devoting all or a portion of their time to operating this system. A major problem has now become one of alerting special education personnel to the availability of these services.

THE FUTURE OF THE NETWORK

The Network is an evolving structure and can be responsive to emerging needs. Its directors and advisory board meet periodically to assess progress and plan the future. The present stress is upon:

1. The rapid development of satellite centers. When these are established, special educators can receive all their services in or through these local centers. These centers, in turn, can act as sensors to detect current needs and transmit them through the Network to the Bureau of Education for the Handicapped, US Office of Education. For purposes of training, materials evaluation, and activities yet unforeseen, the completed Network will provide a remarkable communication instrument with the individual special educator at one end, the federal government at the other, and all other levels of the profession plugged in somewhere between those two terminals.

2. Increased coordination among regional Centers. To sense the urgent need for precise intercenter coordination, one need only contemplate the value of (a) joint production of inservice training sessions, (b) uniform publications, (c) cooperative exchange of staff and materials among Centers, and (d) the need to speak as one with commercial producers, foreign nations, and others who are interested in the Network. Obviously, attempts at research and evaluation, materials design and evaluation, and data storage and retrieval are also enhanced through close intercenter coordination. Accordingly, this coordination is of great current importance. Steps to achieve it include the appointment of a Network coordinator and uniform procedures in reporting, data retrieval, and abstracting.

3. Stress on local funding. It is clear that as the Network grows, the federal government will find it increasingly difficult to support. No estimates of yearly costs are yet available for the Network operation, but an estimate of close to \$5,000,000 of federal and local funds is not an unrealistic figure for present operational costs.

4. Initiation of materials design and evaluation procedures. In the last analysis, materials design and evaluation are the *raison*

d'être of IMC's. They were designed for this purpose and are, accordingly, uniquely suited to it. Yet, to date, these processes have not developed apace with other Center activities. The scientific development of instructional materials and their objective evaluation present the most difficult and demanding challenge of all to the Network.

It is important to understand that the teacher is the primary client, that he or she can receive help by contacting her Center director, and that the range of service available is not highly restricted. Indeed, a client may ask for a type of assistance never contemplated and a Center may decide to incorporate such service into its routine. Thus, the Network needs the teachers' help to grow and diversify; teachers need the Network's help to serve handicapped students more adequately. And such help is literally theirs for the asking.

A REVIEW OF SERVICES OFFERED THROUGH THE IMC NETWORK

(By Leroy Aserlind)

(NOTE.—Leroy Aserlind is Director, Special Education Instructional Materials Center, University of Wisconsin, Madison.)

The unavailability of adequate instructional materials for use by the teacher in the special classroom was cited by the President's Panel on Mental Retardation as being a "major barrier" to education of the handicapped. Subsequent legislation, PL 88-164, was passed in 1963 which provided funds for an innovative approach to the problem.

Heretofore instructional materials centers had been from a more or less traditional mold—libraries of instructional materials available for loan to teachers. The special class teacher often had to rely primarily on her collection supplemented by that of a city, county, or district library. For the most part the materials that were more generally available to this teacher were those materials which had been developed for the child with no perceptual, learning, or behavioral handicaps. These materials often contained intrinsic elements incompatible with the learning characteristics of the handicapped child (Aserlind, 1968).

Under Title III, Section 302, of PL 88-164 two Centers were funded—one at the University of Wisconsin and one at the University of Southern California. One of their express purposes was to enlarge the concept of a Special Education Instructional Materials Center (SEIMC). The SEIMC's were initially seen as being in a position to offer a number of services beyond that of housing a basic collection of materials. By 1964 both Centers were in their first stages of operation. From these early operational experiences several general goals of Special Education Instructional Materials Centers were proposed, most of which were service oriented. These were:

"First, a center must have an operational radius. If only local clients are served, many teachers in small towns and rural areas will be deprived of services. . . .

"Second, a center should be in a position to remark to clients on the effectiveness and characteristics of materials. . . .

"Third, such centers must offer workshops, conferences, and ultimately, as accumulated information increases, credit courses. . . .

"Fourth, such a center should have a consultative staff. This would include a field man who could guarantee a constant and vital rapport within the center's operational radius, including consultation with field clients. . . .

"Fifth, such a center should issue, at regular intervals, a publication or newsletter containing at least two things: an acquisition list and an evaluation section. . . .

"Sixth, the center should have, ideally, a search and retrieval system so that among increasing masses of materials, certain items can be identified and located. . . .

"Seventh, and the final basic characteristic

of such an ideal center, the center's staff should have the motivation and ability to engage in design and arrange for the production of educational materials" [McCarthy, 1966, pp. 27-28].

On such a basis the two initial Centers predicated much of their development activity over the first years. By 1965 it became evident that these Centers were able to provide needed services to special education personnel within a relatively circumscribed area. Because of their apparent success and the approval of an ad hoc advisory committee on instructional materials centers, the U.S. Office of Education drew up a plan for expanding the program (Olshin, 1967). The expansion program called for establishing a number of regional Centers in the United States; these Centers then were formed into the Instructional Materials Center Network for Handicapped Children and Youth, funded through the demonstration phase primarily by the United States Office of Education.

Each basically operates as an independent Center, offering direct services to special educators and to the satellite centers being established in its region. Each of the independent Centers, however, coordinates its activities with those of the other Centers and the Network in general. Vital to this coordination is a continuing communication maintained through reports and meetings.

As previously stated, the principal goals of these Centers are largely service oriented at the present time. A number of the services were originally envisaged as having an empirically demonstrated need. Others have been developed through continual field operation and evaluation; still some services were designed to meet new needs which have been created by the existence of the Centers themselves. The present article deals only with the general services offered within the Network Centers and will not discuss the more unique, specific aspects of individual Center servicing, which are discussed in the articles by Rotberg and Ensminger elsewhere in this issue.

LENDING

Almost without exception, the service of lending is seen as the most important function of a Center in its early stages, since it is of the most immediate benefit to special class teachers and answers one of the persisting needs in special class. All of the Centers, with the exception of the Reference Center at the American Printing House for the Blind, maintain an acquisition, cataloging, and shelving operation for the purpose of providing a lending service. The general policy of the Centers is to lend books and manipulative material for a short term period. IMC's do not supply materials for total school year classroom use, but give the teacher the opportunity to use materials in practice and to make judgments in terms of future purchase. Exception to the short term use of single copy material is found in the fact that several of the Centers supply classroom materials for the blind (Illinois, Michigan, and American Printing House). The loan periods for materials in the Centers generally range from 2 weeks to a month with both renewal and recall privileges available.

A variation of the lending services, necessitated by the size of the regions, is mail order lending, which Centers now provide. Some, such as the Kentucky Center, allow a longer lending period for mail order loans. Similar special arrangements are made by Centers servicing an extraordinarily wide geographic area—for example, the Oregon Center of over 840,000 square miles.

The lending service is important because it entails a direct and vital contact between the Center and the teacher in the field and, conversely, between the teacher and the Center.

SEARCH AND RETRIEVAL

Search and retrieval will undoubtedly gain in importance. Two factors leading to this are the increasing number of materials,

methods, and pertinent research studies and an increasing attention to the concept of diagnostic, precision, or prescriptive teaching. From this will emerge materials and references with a high degree of specificity to individually diagnosed learning problems and with an attendant academic prescription.

At the present time the principal purposes of search and retrieval are to supply teachers, administrators, or classroom researchers with lists of shelved or cataloged materials relevant to a particular need or problem. This type of service is still in its relative infancy. Three Centers—California, Texas, and Michigan—have independently developed computer programs and compatible cataloging systems which are specially designed to perform a search and retrieval operation. These systems have a number of possibilities. Some requests received by the computerized centers require searches and retrievals by author, title, grade level, subject matter, activity level, etc., and numerous combinations thereof. Traditionally, teachers browse through the shelves or look through the card catalogs. Computers now print "browser's catalogs," making available to the Center user discrete listings directly applicable to his immediate interests.

Other Centers such as Wisconsin maintain a search and retrieval system based on IBM machines such as the keypunch, sorter, and printer. At present a number of the Centers are relying on manual searches, but it seems likely from existing trends that all Centers will eventually have a direct tie to a computer center with a cataloged program which will be developed within the Network. CEC-ERIC is presently compiling a library of computer retrievable abstracts provided by the regional centers. In the near future, printouts of these abstracts will be available to special education practitioners.

RESEARCH DESIGN

This is an available but little used service offered by a number of Centers to special education teachers and administrators. One of the purposes of this type of service is based on the fact that the special education classroom and teacher are potential sources of a great amount of practical, *in situ* information. The "teacher as a researcher" is one of the concepts accepted by the Network. To encourage the teacher to enter into some type of research activity or commitment, Centers will offer consulting services to the classroom practitioner on basic elements of experimental design, measurements, statistics, and evaluation of results. As more satellite centers are developed through the regions it may be anticipated that the regional Centers will be devoting more energies to the development of the special classroom as a prime research site.

MATERIAL DEVELOPMENT AND DESIGN

The original purpose of this category of service was to help and encourage the special class teacher to design and develop materials for her own special situation. Also, it was felt that the Centers would be in excellent position to enter into experimental creation of special education instructional materials which, if successful, would become public domain. Again, attention to other immediate problems and to copyright problems has precluded a great deal of activity in this service area. Perhaps some of the existing materials developed by Centers may well be considered as unique projects, although falling under the aegis of particular services (see Ensminger article in this issue).

As originally premised, the Centers were to offer this service to help make up for the lack of special materials developed by commercial producers. Present indications are that within a comparatively short time more commercial producers will begin to market materials developed expressly for use in special classrooms.

EVALUATION

All Centers in the Network accept evaluation of instructional materials as one of its

services to special educators. Several of the earlier established centers—Wisconsin, California, Colorado, and Michigan—have done preliminary work on establishing an effective evaluation model. A Network committee is currently functioning toward this end. Independent efforts of several Centers have suggested approaches to the critical but difficult evaluative process. To date most efforts, such as those at Oregon, involve the use of teacher evaluation groups which use and discuss materials to arrive at a consensus regarding the effectiveness of the materials. California also is concerned with developing methods of utilizing teachers' judgments and ratings and validating these procedures against the more typical pattern of professional evaluation by supervisory or curriculum specialists staff.

It is evident from initial approaches that the use of practicing teachers in field evaluation of materials will be increasing in all regions of the United States.

MOBILE VANS

Both empirical and research evidence suggests that use of lending facilities of an IMC decreases in direct proportion to the distance away from the Center. Means of nullifying this distance effect which have proven to be effective are increased field consultant activity and the use of mobile vans.

The Colorado Center pioneered in the mobile van concept. The vans bring materials directly to schools and teachers in outlying, and in many instances, remote locations. The teacher is offered the opportunity to see, discuss, and select materials that may be of immediate interest or need. Other Centers are adapting the mobile van idea to private or state automobiles or other means of first hand dissemination. Wisconsin, while not using the mobile materials van as a direct service, is supporting the use of these vehicles in subregions served by satellite centers.

CONSULTATION

Consultation services offered through the Centers can take many forms ranging from consultation and participation in full year training programs under ESEA Title I (such as the California Center), to on the spot document specialists to consult with users who come to a Center (such as Kentucky). Presently most of the consultation services offered through all the Centers in the Network consist of direct consultation with state and local administrative personnel on programming and consultation with teachers on the selection of methods and materials for use in the special class. Increasingly, the consultation expertise efforts of the Centers have been instrumental in developing state plans for the establishment of satellite centers (New York, New England) and for consultative help in the preparation of satellite center grants (Texas, Kansas, Oregon, Wisconsin, etc.).

Eventually a point will be reached at which a number of the direct services in a region can be taken care of by proximally located satellite centers. The areas of programmatic, research, educational, and developmental consultation will fall increasingly upon the specially prepared personnel at the regional Centers.

MATERIALS DEMONSTRATION AND DISPLAY

A significant portion of the direct services offered by all Centers in the Network relates to material demonstration and display. Each Center perceives this as an important service and develops its programs accordingly. Through direct display a larger number of teachers are acquainted with the purposes of a Center as well as with a particular Center's acquisitions. Demonstrations are most often conducted either by Center field and specialist personnel or by master special education teachers enlisted for that purpose. Records kept at Wisconsin indicated a rise in usage of lending services from a subregion following a materials demonstration or display program in that area.

Oregon, Kentucky, New York, New England, and California Centers have prepared, or are in the process of preparing, videotapes or other audiovisual presentations of materials demonstrations and displays. This is expected to further enhance the distribution of these services which is limited by the number of materials available for display and the amount of professional time for preparation and demonstration. Particularly effective videotapes will be reproduced and made available to all Network Centers for distribution throughout their regions.

CONFERENCES, INSTITUTES, AND INSERVICE PROGRAMS

All Centers are involved in an active program of offering conferences, special institutes, and inservice programs. Many inservice programs are related to preparation and use of materials, as well as to learning theory, reinforcement, research findings, etc. Most of the programs are developed in cooperation with school administrators, supervisors, and universities. An increasing number of administrators are allowing and suggesting that a portion of the school allotted inservice training time be spent at one of the Centers working with its staff on some previously determined topic or area of study.

Institutes and conferences, along with lending, display, and demonstration activities, are another means of offering services to current and potential users of the IMC's. Examples of recently offered programs are: Education Rhythmics and Motor Development for Exceptional Children (Oregon), Materials for Teaching Children With Learning Disabilities (Kentucky), Materials Used in Self Directive Study (New York), Teaching Mathematics to the Exceptional Child (Wisconsin), and Institute for Special Education Administrative Personnel (California). These topics represent only a portion of the offerings made through the Centers as, for instance, Florida, Kansas, and Texas each conducted approximately 25 of these special programs.

In addition, all Centers have supplied speakers for a significant number of programs sponsored by other professional, public, and private agencies on local, regional, and national levels.

CURRICULUM AND CREDIT COURSES

A number of the Centers associated with colleges or universities are in the process of developing on-campus and extension courses relating more directly to instructional materials for the handicapped children than do many existing courses today. The centers realize that service should be offered to students in preparation for careers in special education. It is anticipated that within 2 years the majority of the university affiliated Centers will be offering credit courses based extensively on knowledge gained through research and through Network accumulated findings on selection, utilization, and valuation of these special materials.

PUBLICATIONS

All Centers have developed or are in the process of developing some type of publication for the teacher readership within their particular region. Two examples are *The Winnower* (Wisconsin) and *The Torch* (Oregon). These publications contain articles on issues in the field of special education, informative and educative articles, and discussions of materials. *The Winnower* maintains an acquisition list for the purpose of bringing the readers up to date on the latest holdings in the Center.

An essentially similar function but somewhat different format is seen in the *UKR-SEIMC Quarterly* (Kentucky), *IMSCE Communicator* (California), and *IMCing in New York* (New York). In two of the older Centers (Wisconsin and California), circulation runs approximately 3,500 and 8,500, respectively. The advent of a national publication (see article by Blackhurst in this

issue) will preclude and eventually replace extensive publication services on the part of the Centers; however, all of these Centers will continue to offer a newsletter service containing primarily regional information.

ABSTRACTING

As mentioned earlier under search and retrieval, one of the functions of CEC-ERIC will be to maintain a constantly updated file of pertinent abstracts. These files will be accessible to the practitioner in special education. The Centers will supply abstracts and evaluations to the central file using a Network thesaurus as the basis for selection of key descriptor terms.

OBTAINING SERVICES

In order to make use of the IMC Network, it is important that special educators contact the Center servicing their region (see Table 1). If that Center is not yet operational or does not have the desired material or service, the request will be referred to another Center known to be able to answer the request.

It is important that requests be as specific as possible; for example, asking for "materials for teaching arithmetic to the retarded" will probably be met with a request for further details. Asking for "samples of workbooks for teaching arithmetic to the intermediate level educable retarded" will more likely bring the desired material or service.

As this article has described, the IMC Network provides numerous services to special educators. The Centers lend out materials; supply listings of materials by area, level, and subject, etc.; send out field consultants and mobile vans to local areas; set up courses; provide consultative assistance for instructional materials use, evaluation, research, programing, and development; send out newsletters informing of available services and acquisitions; and set up inservice training programs and workshops.

REFERENCES

- Aserlind, L. Research and instructional materials for the mentally retarded. In International Association for the Scientific Study of Mental Deficiency, Proceedings of the International Association for the Scientific Study of Mental Deficiency. Amsterdam: Excerpta Medica Foundation, 1968 (in press).
- McCarthy, J. Educational materials for the mentally retarded: A quandary. *Education and Training of the Mentally Retarded*, 1966, 1, 24-31.
- Olshin, G. IMC Network report. *Exceptional Children*, 1967, 34, 137-141.

TABLE 1.—Instructional materials center network for handicapped children and youth

(NOTE.—The following material is listed in order of center and director, region served, and services.)

American Printing House: Mr. Carl W. Lappin, Director, Instructional Materials Reference Center, American Printing House for the Blind, 1839 Frankfort Avenue, Louisville, Kentucky 40206, 502/895-2405; National; Visually Handicapped.

California: Dr. Charles A. Watts, Director, Instructional Materials Center for Special Education, University of Southern California, 17 Chester Place, Los Angeles, California 90007, 213/749-3121; Arizona, California, Nevada; All areas of exceptionality.

Colorado: Dr. William R. Reid, Director, Rocky Mountain Special Education Instructional Materials Center, Chairman, IMCNHCY, 1967-1969, Colorado State College, Greeley, Colorado 80631, 303/351-2681; Colorado, Montana, New Mexico, Physically Handicapped, Mentally Retarded; Wyoming, Emotionally Disturbed, Hard of Hearing.

ERIC: Dr. June Jordan, Director, ERIC Clearinghouse on Exceptional Children, The Council for Exceptional Children, NEA, 1201 16th Street, N.W., Washington, D.C. 20036, 202/223-9400, ext. 601; National; All areas of exceptionality.

Florida: Dr. Marvin Gold, Director, Southeastern Materials Center, University of South Florida, Apartment 44, Tampa, Florida 33620, 813/988-4131, ext. 815; Alabama, Florida, Georgia, Mississippi, South Carolina, Puerto Rico, Virgin Islands; Mentally Retarded, Emotionally Disturbed, Speech Impaired.

Illinois: Mrs. Lenore E. Powell, Director, Instructional Materials Center, 726 South College Street, Springfield, Illinois 62706, 217/525-2436; Illinois; All areas of exceptionality. Miss Gloria Calovini, Director, Instructional Materials Center, 410 South Michigan Avenue, Chicago, Illinois 60605, 312/427-3387 (Chicago), 217/525-4552 (Springfield); Visually Handicapped.

Kansas: Dr. Eugene Ensminger, Director, Special Education Instructional Materials Center, University of Kansas, 1115 Louisiana, Lawrence, Kansas 66044, 913/864-4158; Iowa, Kansas, Missouri, Nebraska, North Dakota, South Dakota; Emotionally Disturbed, Learning Disabilities, Orthopedically Handicapped, Mentally Retarded.

Kentucky: Dr. A. Edward Blackhurst, Director, University of Kentucky Regional, Special Education Instructional Materials Center, 641 South Limestone Street, Lexington, Kentucky 40506, 606/258-9000, ext. 2764; Kentucky, North Carolina, Tennessee, West Virginia; All areas of exceptionality.

Massachusetts: Dr. Harold Ruvin, Director, New England Materials—Instruction Center, Boston University, 704 Commonwealth Avenue, Boston, Massachusetts 02215, 617/353-3266; Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont; Mentally Retarded, Physically Handicapped, Emotionally Disturbed, Speech and Hearing, Learning Disabilities.

Michigan: Mrs. Lou Alonso, Director, USOE/MSU Instructional Materials Center for Handicapped Children and Youth, 343-B Erickson Hall, Michigan State University, East Lansing, Michigan 48823, 517/353-7810; Indiana, Michigan, Ohio; All areas of exceptionality.

New York: Mr. Raphael Simches, Director, New York SEIMC, Mr. Maurice D. Olsen, Coordinator, Special Education Instructional Materials Center, New York State Department of Education, 800 North Pearl Street, Albany, New York 12204, 518/474-3995 (Simches), 518/474-7690 (Olsen); Central New York State; All areas of exceptionality. Mrs. Elizabeth L. Ayre, Regional Coordinator, Special Education Instructional Materials Center, State University College at Buffalo, 1300 Elmwood Avenue, Buffalo, New York 14222, 716/862-5506, 5507; Western New York Region; Mentally Retarded, Physically Handicapped, Emotionally Disturbed, Speech and Hearing. Dr. Gloria F. Wolinsky, Director, Regional Special Education Instructional Materials Center, Hunter College, Box 563x, 695 Park Avenue, New York, New York 10021, 212/360-2304; Eastern New York Region; All areas of exceptionality.

Oregon: Dr. Wayne Lance, Director, Northwest Regional Special Education Instructional Materials Center, University of Oregon, 1612 Columbia Street, Eugene, Oregon 97403, 503/342-1411, ext. 2021; Alaska, Hawaii, Idaho, Oregon, Washington; All areas of exceptionality.

Texas: Dr. Claude Marks, Director, Special Education Instructional Materials Center, University of Texas, 304 West 15th Street, Austin, Texas 78701, 512/471-3145, 5722; Arkansas, Louisiana, Oklahoma, Texas; All areas of exceptionality.

Washington, D.C.: Dr. Raymond Cottrell, Director, Mid-Atlantic Region Special Education Instructional Materials Center, George Washington University, 820 20th Street, N.W., Washington, D.C. 20006, 202/676-7200; Delaware, District of Columbia, Maryland, New Jersey, Pennsylvania, Virginia; Mentally Retarded, Crippled and Health Impaired, Emotionally Disturbed, Speech Impaired.

Wisconsin: Dr. LeRoy Aserlind, Director, Special Education Instructional Materials

Center, Chairman Elect, IMCNHCY, University of Wisconsin, 415 West Gilman Street, Madison, Wisconsin 53706, 608/262-4910; Minnesota, Wisconsin; Physically Handicapped, Mentally Retarded, Emotionally Disturbed, Speech Impaired.

Coordinator: Dr. Don Erickson, Coordinator, Instructional Materials Center Network for Handicapped Children and Youth, 1507 M Street, N.W., Room 207, Washington, D.C. 20005, 202/223-9400, ext. 601.

USOE: Dr. George Olshin, Chief, Research Laboratories and Demonstration Branch, Division of Research, Bureau of Education for the Handicapped, U.S. Office of Education, ROB—7th and D Streets, S.W., Room 2010, Washington, D.C. 20202, 202/962-6370; Mr. Mel Appell, Research Coordinator, Research Laboratories and Demonstration Branch, Division of Research, Bureau of Education for the Handicapped, U.S. Office of Education, ROB—7th and D Streets, S.W., Washington, D.C., 20202, 202/962-7693.

Mr. PERKINS. Mr. Speaker, I yield a couple of minutes to the distinguished gentlewoman from New York (Mrs. CHISHOLM).

Mrs. CHISHOLM. Mr. Speaker, I rise in support of S. 1611.

Many Members have been speaking on the basis of statistics, on the basis of materials they have read, or on the basis of testimony at the hearings. I speak to you on the basis of experience as an educator in this field.

I believe it is very, very important that we support this measure, because we are discovering all kinds of new educational techniques to help the children of this Nation. We certainly need a central place for the dissemination and distribution of this material.

One gets a little concerned when one hears people say, "Everybody is coming up with his own special interest, with his own special bill; the chickens are going to come home to roost. This is going to happen. That is going to happen."

I have seen in this Chamber that we have done so many things, where we invest thousands of dollars in materials which become obsolescent in terms of what has happened in our country. When we think of the most valuable resource of the Nation, it is our children. Then we start talking loudly about how we love them.

I urge support of this measure. It is vitally needed. Once we support the measure there will be hope for the hopeless among the children in this Nation.

Mr. PERKINS. Mr. Speaker, I yield a couple of minutes to the gentleman from Illinois (Mr. PUCINSKI).

Mr. PUCINSKI. Mr. Speaker, our subcommittee held extensive hearings on this subject.

We find that in this country we have some 55 million children attending public schools and 7 million attending parochial schools, for a total school population of some 62 million.

Tragically, 12.5 million have visual impairments, 10 million hearing impairments and 5.4 million suffer some form of emotional disturbance, and are in need of some form of supplemental education. Many of these children suffer multiple handicaps. Of the 5,400,000 who suffer emotional handicaps, 3.2 million also have speech impediments and 2.7 million are mentally retarded.

Most communities are unable to fill the need for special education simply because education for the handicapped is the most expensive kind of education.

There are many companies and many ideas and many programs being offered to local communities to deal with this problem. Local communities do not have facilities for testing these concepts. The value of this Center is that it would help the local communities save a great deal of money.

I am sure when we consider the billions of dollars we have spent in local communities to deal with handicapped children, we can see the savings which can be effected by a Center that will intelligently create new concepts, test them, and pass them on to local communities after they have been proven to be of value.

This whole concept actually will save money for many communities in this country. I believe we will find that whatever money is spent on this bill will come back many fold.

The question is one to which we have to address ourselves. If we do not deal with the problem of the handicapped youngsters the cost of education will continue to grow. Many youngsters drop out of school simply because no adequate facilities are available to deal with their own special peculiar problems.

For this reason I believe this is forward moving legislation which can be of substantial help in the field of educating the handicapped of America. I urge adoption of this legislation.

Mr. PERKINS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New Jersey (Mr. DANIELS).

Mr. DANIELS. Mr. Speaker, I rise in support of S. 1611, a bill to create a National Center on Educational Media and Materials for the Handicapped. It was my pleasure to serve several years as chairman of the Select Subcommittee on Education which considered the problems of the education of handicapped children. In addition, the subcommittee had an opportunity to view the problems of the handicapped adult population through the vocational rehabilitation program. Based on this broad experience I am pleased to see the subcommittee, under the able leadership of the gentleman from Indiana (Mr. BRADEMANS), bring before the Congress legislation of the important nature of S. 1611.

During the years of hearing testimony on the problems of the handicapped and particularly during the hearings of the Handicapped Children's Early Education Assistance Act, it became evident that the Federal Government would have to play a key role if we are to guarantee that every handicapped child receives the education he needs. It is not a simple matter to educate a handicapped child. It requires the support of many persons with special training as well as modification of the environment, materials, and media to complete the education process. It is estimated that such a program costs two to three times the amount needed to educate a normal child. While this figure may sound high,

it does not in any manner compare to the cost of institutionalization which on the average may cost as much as \$200,000 per person.

Congress began a commitment to handicapped children when it passed in 1958 Public Law 85-926 for training teachers. This commitment has continued and can now be found in numerous special education and general education laws of the past decade. It is my belief that this commitment is more than tokenism. It has represented the realization on the part of the Congress that the problems of the handicapped are more than local in nature. If a child does not receive an education, it affects the welfare of the Nation as a whole, and there are many times when the needs of the handicapped are greater than the ability of State and local governments to meet such needs. We recognized this as early as 1864 when the Federal Government assumed responsibility for a college for the deaf. We have done this with the establishment of a model high school for the deaf and certainly last year with the passage of the Handicapped Children's Early Education Assistance Act.

Mr. Speaker, it is my belief that the National Center on Educational Media and Materials for the Handicapped is a continuation of our commitment to the handicapped children of this Nation. I was most impressed with the comments of Mr. William C. Geer, executive secretary of the Council for Exceptional Children, an organization representing persons involved in the education of handicapped children, when he emphasized the necessity for Congress to continue its commitment for even though we are in a period of fiscal austerity we must continue to be willing to place our priorities on human needs. What more valid human need can we address ourselves to than the need to unlock avenues to learning that will enable a child who is handicapped to become a contributing member of our society.

The legislation we are considering today would greatly expand the scope of educational opportunities available to our handicapped children—and it is long overdue. These children are not now receiving the full benefits of advances in educational technology—and they are the same children who, if given the exposure, will gain the most.

The proposed National Center on Educational Media and Materials for Handicapped Children would provide a means for the development of specialized curricula, media and methods to be used in the education of handicapped children. At the Center, people will be trained in the development of these materials. It will also serve as a clearinghouse for all of the research that has been undertaken to benefit handicapped children. Teachers all over the country will be able to obtain information from the Center in order to increase their own resources.

The Center will offer our deaf, blind, mentally retarded, emotionally disturbed, or otherwise handicapped children an additional means of fulfilling their capabilities. As such, the passage by the

House of S. 1611 is an integral part of the attempt to provide the handicapped with an education at least equal to that of other children.

Mr. HALL. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, earlier in the discussion of this bill I asked the chairman of the Committee on Education and Labor, the gentleman from Kentucky (Mr. PERKINS), where I could find the reports accompanying this bill. The gentleman from Kentucky (Mr. PERKINS) admitted there were no reports. Later the gentleman from Indiana (Mr. BRADEMAs) said it is not accurate to say that the reports are not available.

Mr. BRADEMAs. Mr. Speaker, will the gentleman yield at that point?

Mr. GROSS. I yield.

Mr. BRADEMAs. The gentleman from Indiana did not say that. The gentleman from Indiana said that it is not accurate to say that the position of the administration was not known, and the gentleman from Indiana cited both the report at page 6 and also quoted from the statement of Dr. Gallagher in the hearings.

Mr. GROSS. There is not a single communication in this report from any department of the Government relative to the Executive's position on this legislation, and the gentleman knows it.

Mr. BRADEMAs. Who said that? The committee never said that there was.

Mr. GROSS. That is what the gentleman from Indiana was trying to say.

Mr. BRADEMAs. No. The gentleman from Indiana knows what he is trying to say.

Mr. GROSS. Mr. Speaker, I refuse to yield.

Mr. BRADEMAs. And he prefers that he say it rather than that the gentleman from Iowa say it.

Mr. GROSS. Mr. Speaker, I do not yield further.

Let the Record show that there are no reports available from any department or agency of the Government, including the Bureau of the Budget, with respect to this legislation. I say that irrespective of what the gentleman from Indiana (Mr. BRADEMAs) may say to the contrary.

Mrs. MINK. Mr. Speaker, I rise in support of S. 1611, a bill to amend Public Law 85-905 to provide for a National Center on Educational Media and Materials for the Handicapped. One of the greatest tragedies of our time is the neglect of our handicapped children. Thousands of these children, who need so much care and special attention, are being deprived of these necessities during the current drive for economy in Government. There is probably no crueler aspect of the budgetary situation than this.

The interim emergency report prepared by the National Advisory Committee on Handicapped Children has documented the fact that less than 40 percent of the handicapped children in this country are now receiving special education services. Aid to the States under title VI-A of the Elementary and Secondary Education Act, to provide services for these children, at only \$29.25 million, is far short of even the inade-

quate \$206 million that has been authorized for fiscal year 1970.

Noting that the proposed appropriation for this year will be even less in relation to the increased number of handicapped children, the report declared:

It is reasonable to assume that more than 50 percent of handicapped youngsters can have their condition substantially improved, sometimes even cured, if they can get help and attention early enough. The proposed low level of funding would deny to many of them, their opportunity to live as near normal lives as do the rest of us.

I am in favor of funding to at least the full authorized amount, but the legislation we are considering today is designed to provide some relief until such time as adequate State aid funds can be found.

S. 1611 establishes a National Center on Educational Media and Materials for the Handicapped.

Mr. Speaker, admittedly S. 1611 does not go to this serious problem of education funds for our handicapped children. But it does seek to resolve one of the most serious needs in this area.

This bill will provide an intensified search for new and improved teaching methods and seek to counteract the critical personnel shortage through improved technology. The personnel shortage, already a critical factor in the lack of aid for handicapped children, is scheduled to grow even more serious in the new school year as universities reduce their present level of training of teachers for the handicapped. Improved teaching and technology, such as that to be provided under this bill, will help fill the gap.

It has been estimated that more than 300,000 teachers, speech pathologists, audiologists, and other specialists are needed to work in this field. Only 75,000 to 80,000 such specialists are now available, however, which is a major reason for the fact that some 3½ million of the Nation's 5½ million children needing special educational services are struggling along without them.

S. 1611, which has already passed the Senate, would seek to close the gap by finding new ways for giving handicapped children the specialized educational experiences that they require.

To be located at a site chosen by the Secretary of Health, Education, and Welfare, the proposed Center would bring together in a central spot all of our efforts to develop improved educational media and materials that are so vitally needed.

While it must be recognized that such materials and techniques can never replace teachers, I feel that a Center can fill a highly useful role in enabling the few teachers we do have to do a better job and hopefully reach more handicapped students.

The Center is viewed as not only a source of production of materials such as films, but also as a disseminator of the useful work done by others in this area.

It would have an important function of coordination and study of existing programs in the field of media for the education of handicapped children. It has been called a capstone to the many Federal

and private efforts now underway or proposed to help meet our unmet responsibilities to these youngsters.

We cannot allow to exist the present intolerable situation in which thousands of parents take their handicapped children to schools seeking special assistance, only to be turned away for lack of teachers and teaching materials. This is the need to be served by S. 1611, and I urge its passage.

A merging of the best brain power in the areas of instructional technology and media with the persons who are experts in educating handicapped children will hopefully be the basis of a breakthrough in the extension of services to more children, and the improvement of education for handicapped children generally.

I commend our subcommittee chairman, Mr. JOHN BRADEMAs, the distinguished gentleman from Indiana, for reporting this bill. As a member of that subcommittee, I join him today and my other colleagues in urging the passage of this bill.

Mr. STOKES. Mr. Speaker, the House is today presented with the opportunity to further advance the cause of an education for all Americans, whatever their disabilities. This effort, now over a decade old, is one of which we can all be justifiably proud, for it inherently recognizes that all of our children are of great potential worth to the Nation, and that all must be properly trained if we are to realize the full measure of our mutual aspirations. We all know of the extraordinary talents often possessed by the handicapped, and it is a credit to this body that it has done so much to insure that these abilities are fully developed.

But this bill should be praised for even more than the fine humanitarian act that it is. For today, and to my knowledge for the first time, the House will enact a law which calls upon the vast resources of this country's technology to assist in solving a pressing sociological problem. Many of the Members of this body, including myself, have asked, in fact have pleaded, that this be done at various times during this session. Thus, I believe that now that we are taking this important step, it should be both realized and applauded. All of us who are deeply interested in curing the urgent domestic ills this Nation is currently plagued with will therefore salute this accomplishment, and anxiously await increased usage of our bountiful technological skills in attacking other human problems.

Mr. BENNETT. Mr. Speaker, I am pleased to support the legislation before the House today to provide for a National Center on Educational Media and Materials for the Handicapped. I have an identical bill, H.R. 11685, and testified before the House Education and Labor Committee on the bill. I congratulate the chairman and committee for bringing it before the House.

As a handicapped person myself, I have had a long-time interest in Federal legislation to assist the handicapped of the Nation. I have sponsored and supported bills in this field for two decades in the Congress. Last year, a bill introduced by the late Senator from Alaska, E. L. Bartlett and myself, was enacted into law,

and it provides that public buildings shall be constructed to be accessible to handicapped persons. I believe this is one of the most far-reaching laws on the books to help the handicapped.

The legislation we are considering today, including my bill, H.R. 11685, is another significant step in helping the 22 million Americans who are handicapped.

The legislation would establish a National Center on Educational Media and Materials for the Handicapped, which would provide a comprehensive program of activities to facilitate the use of new educational technology in education programs for handicapped persons. The program would include designing, developing, and adapting institutional materials for aid to the handicapped.

The Center would coordinate, produce, and assemble educational films, talking books, and other materials to communicate handicapped teaching methods to teachers and other persons in the field of working with the handicapped.

Mr. Speaker, this legislation has already passed the Senate, and I believe it is a measure which will help create a better environment to help handicapped persons lead normal lives. That is all a handicapped person desires. The Congress can legislate properly to provide an atmosphere in which the handicapped can achieve a useful and productive life. This bill does that and I urge that it be approved.

Mr. PERKINS. Mr. Speaker, I have no further requests for time.

Mr. HALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to repeat again that it has been clearly established that this is a Senate bill which in fact is engrafted onto an original bill of the 85th Congress having to do with materials for hearing, and expanding it to a bill of the 89th Congress which did in fact establish the National Center for Educational Media and Materials for the Handicapped. Why it is being handled in exactly this manner is difficult to determine.

Second, insofar as the "chickens coming home to roost" is concerned, one needs not to act upon or debate that point in view of the experience we had here this last weekend. But I do think as I said in the beginning, that perhaps there is need for coordination of effort. I know this Nation is bankrupt now, and due to actions such as these over and above budgeted funds and income, we will surely continue to be.

Mr. Speaker, insofar as being able to go on indefinitely and spend more and more of our income, the time has already approached in the bankruptcy of this Nation.

Personally, I do not subscribe to the fact that it need be Federal and agree with the gentleman from Minnesota (Mr. QUITE) that in this instance there needs to be no Federal Center. For years a good job has been done for these beloved children at the State and municipal levels and at the hands of the tender, loving care of their home facilities, teachers, and their own families.

Furthermore, the report itself says, Mr. Speaker, that at the present time it

would be impossible to train a sufficient body of teachers even if the funds were available, since we do not have a sufficient body of trained personnel to train teachers for the handicapped. In other words, we are short of trainers.

This is like the question of paying support, transportation, stipends and tuition for training people in the Teachers Corps, or Appalachia, or even the Ozark Commission to reconstitute people to become employables before asking them if they want to be employed, or will relocate to job-available areas.

I say finally, Mr. Speaker, that this is a poorly timed bill. It is the opening of the door, it is an ad infinitum appropriation and just as surely as the sun rises in the east and goes down in the west, we will be back here for more money for the construction of this Center, and it cannot even be reclaimed once it is built on Government-owned land.

Mr. Speaker, I believe that action on this bill should be deferred.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the gentleman from Illinois.

Mr. PUCINSKI. I thank the gentleman for yielding. I think the gentleman is correct when he recites the history of this legislation. It started out in the 85th Congress as an effort to establish a center for hearing research. But what really happened is that as we went along we saw the huge problems of the handicapped.

Mr. HALL. Well, now, Mr. Speaker, if I may interpose with the gentleman after having yielded to him and without being rude, I heard with great interest his statement that we have 62 million schoolchildren and that some one-half of them are handicapped in some manner or another. I heard the same statement last week. Does the gentleman really believe in his heart that this is true, based upon the results of his own investigations or any other information which has come into his hands? Can the gentleman show me any three children of any family where even one of that number is handicapped either in his home, in his school, or any school which the gentleman has visited? I do not believe there are 25 million, let alone one-half of the 63 million of the schoolchildren in this Nation who are handicapped and deserving or need such a overlapping, duplicative, and additive funds which would have to be appropriated on and on, as a result of a program such as this?

Mr. PUCINSKI. Mr. Speaker, if the gentleman will yield further, I would like the gentleman to look at the evidence which was presented before my subcommittee which is most voluminous on this subject. I am not surprised that the gentleman is shocked. I was shocked. I was shocked even more as to the number of youngsters in this country with multiple handicaps, youngsters who live in the various communities of our Nation but who cannot easily be discovered. The gentleman will recall that just last week we talked about youngsters with a learning disability, such as for instance for some strange reason they

read backwards. This is, of course, a form of strephosymbolia.

Mr. HALL. Mr. Speaker, I know all about strephosymbolia. I have diagnosed cases of strephosymbolia which covers the reading-backward readers, the mirror readers, and the rest of them.

However, would the gentleman from Illinois at least admit to me that a child might be a little hard of hearing and have a strephosymbolia syndrome, or blindness, or a learning difficulty, and so forth, that has affected one out of three schoolchildren who suffer with this type of a handicap or a similar type? Is he counting children or handicaps?

Mr. PUCINSKI. Mr. Speaker, if the gentleman will yield further, I think the gentleman has raised a very perfectly fair question and I would like to answer it in this manner: Many of these children have multiple handicaps. A youngster might have a hearing disability or an eyesight disability or an emotional disability. The gentleman from Missouri, as a distinguished physician, knows better than I do the number of children who go through school where their handicap is never discovered and we fail to understand why the child cannot make normal progress in his schoolwork.

Mr. HALL. The gentleman from Illinois knows that there is only a fraction of 1 percent of those who are so handicapped that are not discovered.

Mr. PUCINSKI. I would like to tell the gentleman that the problem is not as serve as we believe it is, but the testimony before our subcommittee showed the enormous need for the relief of this problem.

Mr. HALL. Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore (Mr. PRICE of Illinois). The question is on the motion of the gentleman from Kentucky (Mr. PERKINS) that the House suspend the rules and pass the bill S. 1611, as amended.

The question was taken.

Mr. HALL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 365, nays 22, not voting 45, as follows:

[Roll No. 139]

YEAS—365

Abbutt	Bennett	Broyhill, Va.
Adair	Bevill	Buchanan
Adams	Biaggi	Burke, Mass.
Addabbo	Biester	Burleson, Tex.
Albert	Bingham	Burlison, Mo.
Alexander	Blackburn	Burton, Calif.
Anderson,	Blanton	Burton, Utah
Calif.	Blatnik	Bush
Anderson, Ill.	Boland	Button
Anderson,	Bolling	Byrne, Pa.
Tenn.	Bow	Byrnes, Wis.
Andrews, Ala.	Brademas	Caffery
Andrews,	Brasco	Cahill
N. Dak.	Bray	Camp
Annunzio	Brinkley	Carter
Ashley	Brooks	Casey
Aspinall	Broomfield	Cederberg
Ayres	Brotzman	Chamberlain
Beall, Md.	Brown, Mich.	Chappell
Beicher	Brown, Ohio	Chisholm
Bell, Calif.	Broyhill, N.C.	Ciancy

Clark
Clausen,
Don H.
Clay
Cleveland
Cohelan
Collier
Collins
Colmer
Conable
Conde
Conyers
Corbett
Coughlin
Cowger
Cramer
Culver
Cunningham
Daniel, Va.
Daniels, N.J.
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dent
Derwinski
Devine
Dingell
Donohue
Dorn
Dowdy
Downing
Dulski
Duncan
Dwyer
Eckhardt
Edmondson
Edwards, Ala.
Edwards, La.
Ellberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Farbstein
Feighan
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford,
William D.
Foreman
Fountain
Fraser
Frellinghuysen
Frey
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Galifianakis
Gallagher
Gaddos
Gettys
Gialmo
Gibbons
Gilbert
Goldwater
Gonzalez
Goodling
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Grover
Gude
Hagan
Hamilton
Hammer-
schmidt
Hanley
Hansen, Idaho
Hansen, Wash.
Harsha
Harvey
Hastings
Hathaway
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Hogan
Hollifield

Horton
Hosmer
Howard
Hungate
Hunt
Hutchinson
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kastenmeier
Kazen
Kee
Kiehl
Kleppe
Kluczynski
Koch
Kuykendall
Kyl
Kyros
Landrum
Langen
Latta
Lloyd
Long, La.
Long, Md.
Lowenstein
Lujan
Lukens
McCarthy
McClary
McCloskey
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McKneally
McMillan
Macdonald, Mass.
MacGregor
Madden
Mahon
Mann
Marsh
Mathias
Matsunaga
May
Meeds
Melcher
Meskill
Michel
Miller, Calif.
Miller, Ohio
Minish
Mink
Minshall
Mize
Mizell
Mollohan
Monaghan
Moorhead
Morgan
Morse
Morton
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Hara
O'Konski
Olsen
O'Neal, Ga.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Pepper
Perkins
Pettis
Philbin
Pickle
Pike
Pinnie
Poage
Podell
Poff
Pollock
Preyer, N.C.

Price, Ill.
Pryor, Ark.
Pucinski
Purcell
Quie
Quillen
Rallsback
Randall
Rees
Reid, Ill.
Reid, N.Y.
Reifel
Reuss
Riegle
Rivers
Roberts
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roudebush
Roybal
Ruppe
Ruth
Ryan
St Germain
St. Onge
Sandman
Satterfield
Schadeberg
Scherle
Scheuer
Schneebeli
Schwengel
Scott
Sebellius
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Sullivan
Symington
Talcott
Taylor
Teague, Calif.
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Tiernan
Udall
Ullman
Van Deeren
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Wampler
Watkins
Watson
Watts
Welcker
Whalen
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wolff
Wright
Wyatt
Wylder
Wyllie
Wyman
Yates
Yatron
Young
Zablocki
Zion
Zwach

NAYS—22
Abernethy
Betts
Brook
Burke, Fla.
Cabell
Clawson, Del.
Denney
Dennis
Dickinson
Gross
Haley
Hall
Hanna
Landgrebe
Mayne
Montgomery
Price, Tex.
Rhodes
Smith, Calif.
Steiger, Ariz.
Winn
Wold
NOT VOTING—45
Arends
Ashbrook
Baring
Barrett
Berry
Boggs
Brown, Calif.
Carey
Celler
Corman
Daddario
Dawson
Diggs
Edwards, Calif.
Fallon
Fascell
Garmatz
Gubser
Halpern
Hawkins
Hull
Ichord
Joelson
Karth
King
Kirwan
Leggett
Lennon
Lipscomb
Mailliard
Martin
Mikva
Mills
Nix
Powell
Rarick
Saylor
Stuckey
Taft
Teague, Tex.
Tunney
Utt
Whalley
Whitten
Wilson,
Charles H.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Boggs with Mr. Arends.
Mr. Celler with Mr. Lipscomb.
Mr. Barrett with Mr. King.
Mr. Garmatz with Mr. Ashbrook.
Mr. Fallon with Mr. Mailliard.
Mr. Kirwan with Mr. Berry.
Mr. Lennon with Mr. Martin.
Mr. Carey with Mr. Gubser.
Mr. Brown of California with Mr. Halpern.
Mr. Teague of Texas with Mr. Saylor.
Mr. Charles H. Wilson with Mr. Taft.
Mr. Baring with Mr. Utt.
Mr. Whitten with Mr. Whalley.
Mr. Leggett with Mr. Dawson.
Mr. Daddario with Mr. Corman.
Mr. Edwards of California with Mr. Nix.
Mr. Tunney with Mr. Diggs.
Mr. Hull with Mr. Karth.
Mr. Stuckey with Mr. Joelson.
Mr. Ichord with Mr. Rarick.
Mr. Fascell with Mr. Mills.
Mr. Hawkins with Mr. Mikva.

Messrs. KEITH, BRAY, and DEVINE changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BRADEMAs. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERSONAL EXPLANATION

Mr. LOWENSTEIN. Mr. Speaker, during the vote which was taken on House Joint Resolution 764, I was attending to official business in another part of the Capitol. Had I been present I would have voted "yea."

BIG TIME SPENDERS

(Mr. BURKE of Florida asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. BURKE of Florida. Mr. Speaker, the arguments on how much to spend for this, and how much for that still goes on in the Congress. The big spenders continue to think up new schemes and ways on how to spend more of your money and mine.

Their speeches on the U.S. House and Senate floors wax with words of righteousness and humanitarianism. To them, nothing is too good for the next fellow as long as it is your money that is being spent and not theirs.

The fact that we are carrying on a war in Vietnam, whether we like it or not, is of little consequence to those, who for the sake of buying votes with the people's own money, continually give or promise to this group or that.

When they finish the package, many of the people back home are so completely fooled that almost any Congressman finds himself in a position where he almost dare not vote against the final package lest it appear that he is against motherhood and in favor of sin.

How often have I heard some Congressmen state that they wish they could vote as "statesmen" but cannot for fear of being criticized by, or losing the favor of, the voters later.

Almost any omnibus bill, a package bill, carries with it a handout of some sort for most all.

Even with all the talk about tax reform, I hear very little from the "big spenders" in Government suggesting their support for cuts in Government spending. And so the understructure of our Government; namely, Government bureaucracies, get bigger and bigger.

Nevertheless, I am indeed happy to see some activity in the House Ways and Means Committee in perhaps bringing to the Congress a tax reform bill.

It is strange though that this tax reform is only now being worked on for we realize it is something that has been needed for years. Certainly one cannot deny that such action is long overdue, and even if it took the election of a Republican President for the Democrats in Congress to recognize the need for tax reform, then I say good.

Some of the items that have demanded treatment for a long time are obvious to all taxpayers, but why have not they been obvious to those in Congress, who are responsible for making the changes?

These include the requirement that all citizens capable of paying taxes should share some of the responsibility of paying for the operation of their Government; and no one capable of paying taxes should escape paying such at the expense of another; and that the average individual taxpayer should not have to shoulder the responsibility of paying more than his share while some of the more wealthy or tax knowledgeable corporations or foundations escape through unfair tax exemptions or loopholes.

I, for one, strongly advocate that these loopholes be closed tight and that a truly good tax reform bill be voted out of the House Ways and Means Committee. If this can be done, then I am hopeful that

somehow the increase thus derived will be used to give relief to the ordinary workingman and woman whose only income generally comes from wages earned by simple, hard work.

During the last session of Congress and again in this session, I introduced a bill, H.R. 8842, which would raise the personal exemption of each member of the family to \$1,200 per year, or at least \$1,000 and I am hopeful this will be incorporated into the tax reform bill.

While it is true that an increase in exemption allowed each individual would require substantial revenues from other sources to make up the difference, nevertheless it would seem to me that a sizable increase would result from a truly equitable tax reform bill.

In addition, it is time that the Congress does some serious thinking about effecting some honest tax cuts. In fact it is just about time that the American taxpayer insists on his, instead of wanting a piece of the "big American giveaway pie" before it has even been taken from the oven.

I am afraid until then, the average American wage earner and taxpayer will get more talk than he will get tax relief.

I am equally sure, however, that with a conscientious effort by the Congress to pass a truly meaningful tax reform bill, and by cutting back on all unnecessary Government spending, the taxpayer will then get a break and our Nation can pull itself free from the disruptive economic shackles placed on it by the bureaucratic planners.

ECONOMIC OPPORTUNITY FOR ALL AMERICANS

(Mr. MOORHEAD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MOORHEAD. Mr. Speaker, today I am introducing four bills which I feel are vital if we ever are to make good on our promises to create economic opportunity for all Americans.

These four measures are aimed at overturning some obstacles which have kept thousands of minority contractors from participating in America's multi-billion dollar construction industry.

Through accident or design, a series of impediments, involving credit, opportunity for jobs, and inability to secure construction performance bonds, has barred hundreds of competent black contractors from sharing in the billions of dollars spent for construction by both the private sector and the Government.

I would not say that racial prejudice is the sole factor for the obstacles that these small companies meet, but it is an element that exists beneath what surety companies and banks believe are very legitimate reasons for not granting these individuals performance bonds and loans.

There are some 8,000 minority contractors. The economic and psychological

lifts that the entrance of these groups into the mainstream construction industry would give to the Mexican American and black communities is incalculable.

The bills that I am introducing represent a concerted effort to eradicate bonding problems for minority contractors.

Three of these bills have already been introduced in the other House by the distinguished junior Senator from Indiana (Mr. BAYH).

And I certainly agree with Senator BAYH when he states:

The gigantic task of meeting the present and future construction needs of our Nation demand that we maximize our construction capabilities. This cannot be accomplished unless our technological and manpower resources are utilized to the fullest measure.

To support the existence of the problem at which these bills are aimed, I offer the report of the National Business League which stated:

Only one-third of all Negro contractors was successful in securing performance bonds at any time and all of these had experienced "undue difficulty" in securing them. Seventy percent reported that they had lost contracts because of inability to secure bonding.

Please be assured that I am not asking that a performance bond be given every contractor who happens to be black or Mexican. But I do ask that we wipe away, through regulation, the hodge-podge of tradition, prejudice, and redtape which keeps saying that "only a white man can handle the complex problems encountered in the construction industry."

The three bills which Senator BAYH put in and which I am introducing on this side will accomplish the following:

The first bill would increase the participation of small business concerns in the construction industry by, first, providing for a Federal guarantee of certain construction bonds; second, authorizing the acceptance of certifications of competency in lieu of bonding in connection with certain Federal projects; and third, establishing a national construction task force staffed to provide technical instruction and counseling with respect to the managing, financing, and operation of small construction concerns.

The second bill would amend section 3 of the Housing and Urban Development Act of 1968, entitled Jobs in Housing; Employment Opportunities for Lower Income Persons in Connection With Assisted Projects.

In the opinions of Senator BAYH and myself, the provisions and spirit of section 3 should be extended to include federally assisted programs of urban planning, development, redevelopment, or renewal; public or community facilities; and new community development. State and local planning agencies engaged in federally assisted projects spend millions of dollars annually to purchase the skills of firms offering urban planning and consultation services. This extension would greatly broaden the scope of employment and business opportunity for lower income persons and aspiring minority entrepreneurs.

The third bill would amend the Miller Act of 1935, which now requires that all Federal contracts for construction in excess of \$2,000 must be bonded, to increase the exemption from \$2,000 to \$20,000. This would reduce the constraint of Federal bonding requirements which are presently an important additional factor in any comprehensive consideration of the bonding problems of minority contractors.

On Wednesday, July 2, when I rose before this House and said, "The black contractor faces all of the obstacles to success that his white contemporary encounters, plus a few more," I was referring to the knotty problem of bonding and credit.

It is the bonding hassle at which I have aimed my bill, and the fourth of the measures I am introducing today.

Specifically, I call for the "Small Business Administration to guarantee any bid, payment, or performance bond under an agreement entered into by a small business concern which is a construction contractor or subcontractor."

Let me assert once again that my brace of bills is not designed to certify as contractors, those who merely own a truck and shovel.

They will help develop the skills of this latter group, but more importantly my bill would allow the qualified contractor, whose only drawback is prejudice, to compete equally on the market for those jobs which he can perform as well as anybody else.

OVERALL, AND DETAILED FIGURES IN CONNECTION WITH THE BILL PROVIDING APPROPRIATIONS FOR THE DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE

(Mr. FLOOD asked and was given permission to address the House for 1 minute, to revise and extend his remarks and to include extraneous matter.)

Mr. FLOOD. Mr. Speaker, during the 3 days that the Labor, and Health, Education, and Welfare bill was before the House there were no changes from the committee's recommendations in the Department of Labor and the related agencies. However, there were numerous changes made in appropriation items in the HEW title of the bill and some of them made adjustments in the earmarking for activities within appropriations. I think it would be very helpful to Members to have available a detailed table we have which shows the amount of each appropriation item in the HEW part of the bill, broken down by activity, and also showing the comparable 1969 appropriation, the 1970 budget request, and the amount in the bill as reported by the Committee on Appropriations.

We have also received numerous requests for overall figures in connection with the bill, and have prepared three short tables that will give Members this information.

Mr. Speaker, the tables to which I have just referred are as follows:

SUMMARY OF LABOR-HEW APPROPRIATIONS FOR 1969 AND 1970

[In millions of dollars]

	1969 enacted	Budget estimate	1970	
			As reported by committee	As passed the House
Department of Labor.....	771.6	1,002.3	976.9	976.9
Department of Health, Education, and Welfare.....	16,509.4	15,414.5	15,595.7	16,518.3
Related agencies.....	75.0	78.4	78.4	78.4
Total.....	17,356.0	16,495.2	16,651.0	17,573.6

The table above reflects the amounts actually carried in the appropriation act for 1969 and in the bill for 1970. To arrive at a more valid comparison between the appropriations for the 2 years the figures should be adjusted for the advance appropriation for 1970 of \$1,010,814,300 for assistance to educationally deprived children under title I of the Elementary and Secondary Education Act which was included in the 1969 appropriation act. The special appropriation of \$90,965,000 for school assistance in federally affected areas for 1968, which was also included in the 1969 appropriation act, should also be deducted for comparability. These adjustments are made in the tables which follow:

SUMMARY OF LABOR-HEW APPROPRIATIONS FOR 1969 AND 1970, ADJUSTED FOR COMPARABILITY

[In millions of dollars]

	1969 enacted	Budget estimate	1970	
			As reported by Committee	As passed the House
Department of Labor.....	771.6	1,002.3	976.9	976.9
Department of Health, Education, and Welfare.....	15,407.7	16,425.3	16,606.5	17,529.1
Related agencies.....	75.0	78.4	78.4	78.4
Total.....	16,254.3	17,506.0	17,661.8	18,584.4

HEW APPROPRIATIONS FOR 1969 AND 1970, BY CONSTITUENT AGENCY

Agency	1969 comparable	1970 revised budget	House committee recommendation	House floor action
Consumer Protection and Environmental Health Service.....	\$227,064,000	\$229,477,000	\$227,177,000	\$227,177,000
Health Services and Mental Health Administration.....	1,077,261,000	1,030,441,000	1,103,449,000	1,103,449,000
National Institutes of Health.....	1,394,549,500	1,448,610,000	1,449,651,000	1,449,651,000
Scientific activities overseas.....	15,000,000	3,455,000	3,455,000	3,455,000
Subtotal, health and medical.....	2,713,874,500	2,711,983	2,783,732,000	2,783,732,000
Office of Education.....	3,617,400,000	3,180,278,000	3,303,697,000	3,422,889,000
Social and Rehabilitation Service.....	7,306,052,000	8,420,603,000	8,407,383,000	8,410,754,000
Social Security Administration.....	1,690,772,000	2,014,864,000	2,014,564,000	2,014,564,000
Special institutions.....	36,146,000	62,409,000	62,409,000	62,409,000
Departmental management.....	35,898,000	35,160,000	34,734,000	34,734,000
Adjustment for many relatively small transfers to appropriations outside Labor-HEW bill.....	7,515,000			
Total, Department of Health, Education, and Welfare.....	15,407,657,500	16,425,297,000	16,606,519,000	17,529,082,000

¹ Includes \$1,010,814,300 advance funding for 1970 appropriated in the 1969 appropriation act.

DETAILED BREAKDOWN OF HEW APPROPRIATIONS FOR 1969 AND 1970

CONSUMER PROTECTION AND ENVIRONMENTAL HEALTH SERVICE

Appropriation and activity	1969 comparable	1970 revised budget	House committee recommendation	House floor action
Food and drug control:				
1. Medical evaluation.....	\$18,774,000	\$19,674,000	\$19,674,000	\$19,674,000
2. Scientific research and evaluation.....	16,378,000	16,583,000	16,583,000	16,583,000
3. Education and voluntary compliance.....	1,275,000	1,296,000	1,296,000	1,296,000
4. Regulatory compliance.....	29,205,000	29,647,000	29,647,000	29,647,000
5. Program management.....	4,812,000	4,807,000	4,807,000	4,807,000
Total.....	70,444,000	72,007,000	72,007,000	72,007,000
Air pollution control:				
1. Abatement and control.....	32,567,000	35,531,000	35,531,000	35,531,000
2. Research, development, and demonstration.....	47,614,000	52,328,000	50,328,000	50,328,000
3. Manpower training.....	5,279,000	5,405,000	5,405,000	5,405,000
4. Program management.....	2,500,000	2,536,000	2,536,000	2,536,000
Total.....	87,960,000	95,800,000	93,800,000	93,800,000
Environmental control:				
1. Solid waste management.....	16,113,000	14,872,000	14,872,000	14,872,000
2. Occupational health.....	7,466,000	7,774,000	7,774,000	7,774,000
3. Radiological health.....	16,183,000	16,527,000	16,527,000	16,527,000
4. Community environmental management:				
(a) Aedes aegypti eradication.....	6,446,000	440,000	440,000	440,000
(b) Other community sanitation.....	11,359,000	9,872,000	9,872,000	9,872,000
Subtotal, environmental management.....	17,805,000	10,312,000	10,312,000	10,312,000
5. Water hygiene.....	2,184,000	2,593,000	2,593,000	2,593,000
6. Program management.....	3,080,000	3,130,000	3,130,000	3,130,000
Total.....	62,831,000	55,208,000	55,208,000	55,208,000
Buildings and facilities.....		300,000		
Salaries and expenses, Office of the Administrator.....	5,829,000	6,162,000	6,162,000	6,162,000
Total, Consumer Protection and Environmental Health Service.....	227,064,000	229,477,000	227,177,000	227,177,000

HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

Appropriation and activity	1969 comparable	1970 revised budget	House committee recommendation	House floor action
Mental health:				
1. Support and conduct of research:				
(a) Grants:				
(1) Research	\$81,159,000	\$82,273,000	\$82,273,000	\$82,273,000
(2) Hospital improvement	10,610,000	8,000,000	8,000,000	8,000,000
(3) Early child care demonstrations		1,000,000		
Subtotal, grants	91,769,000	91,273,000	90,273,000	90,273,000
(b) Direct operations:				
(1) Intramural research	17,959,000	18,125,000	18,125,000	18,125,000
(2) Planning, development, and administration	5,070,000	7,006,000	6,404,000	6,404,000
Subtotal, direct operations	23,029,000	25,131,000	24,529,000	24,529,000
Subtotal, research	114,798,000	116,404,000	114,802,000	114,802,000
2. Manpower development:				
(a) Grants:				
(1) Training	109,046,000	107,500,000	107,500,000	107,500,000
(2) Fellowships	10,641,000	10,866,000	10,866,000	10,866,000
Subtotal, grants	119,687,000	118,366,000	118,366,000	118,366,000
(b) Direct operations	4,530,000	4,583,000	4,583,000	4,583,000
Subtotal, manpower	124,217,000	122,949,000	122,949,000	122,949,000
3. Support of institutions and resources:				
(a) Grants:				
(1) Construction of community mental health centers	15,000,000	92,200,000	29,200,000	29,200,000
(2) Staffing of community mental health centers	49,699,000	51,300,000	51,300,000	51,300,000
(3) Narcotic addiction and alcoholism community assistance	8,000,000	8,000,000	12,000,000	12,000,000
Subtotal, grants	72,699,000	88,500,000	92,500,000	92,500,000
(b) Direct operations	2,364,000	2,379,000	2,379,000	2,379,000
Subtotal, institutions and resources	75,063,000	90,879,000	94,879,000	94,879,000
4. Service activities:				
(a) Narcotic addiction and drug abuse treatment and research	14,288,000	17,456,000	17,456,000	17,456,000
(b) Regional and field activities	2,346,000	2,346,000	2,346,000	2,346,000
(c) Scientific communication and public education	2,588,000	2,749,000	2,749,000	2,749,000
Subtotal, service activities	19,222,000	22,551,000	22,551,000	22,551,000
5. Program direction and management services	4,871,000	5,121,000	5,121,000	5,121,000
Total, mental health	338,171,000	357,904,000	360,302,000	360,302,000
St. Elizabeths Hospital	13,380,000	10,405,000	10,405,000	10,405,000
Health services research and development	41,907,000	44,975,000	44,975,000	44,975,000
Comprehensive health planning and services:				
1. Partnership for health grants:				
(a) Planning	18,500,000	20,000,000	20,000,000	20,000,000
(b) Formula	66,032,000	90,000,000	90,000,000	90,000,000
(c) Project	86,600,000	80,000,000	80,000,000	80,000,000
Subtotal, grants	171,132,000	190,000,000	190,000,000	190,000,000
2. Migrant health	8,100,000	15,000,000	8,110,000	8,110,000
3. Standard setting and resource development	5,998,000	6,849,000	6,849,000	6,849,000
4. Program management	1,879,000	2,184,000	2,184,000	2,184,000
Total	187,109,000	214,033,000	207,143,000	207,143,000
(Trust fund transfer)	(4,320,000)	(4,320,000)	(4,320,000)	(4,320,000)
Regional medical programs:				
1. Operational and planning grants	56,200,000	73,500,000	50,000,000	50,000,000
2. Chronic disease control programs	25,082,000	24,771,000	24,271,000	24,271,000
3. Program management	1,851,000	1,729,000	1,729,000	1,729,000
Total	83,133,000	100,000,000	76,000,000	76,000,000
Communicable diseases	39,084,000	38,638,000	38,638,000	38,638,000
Hospital construction:				
1. Construction	254,487,000	150,000,000	254,400,000	254,400,000
2. Operations and technical services	3,802,000	3,923,000	3,923,000	3,923,000
Total	258,289,000	153,923,000	258,323,000	258,323,000
District of Columbia medical facilities	15,000,000	15,000,000		
Patient care and special health services	71,437,000	72,224,000	72,224,000	72,224,000
National health statistics	8,109,000	9,641,000	8,841,000	8,841,000
Retired pay of commissioned officers	13,041,000	16,700,000	16,700,000	16,700,000
Buildings and facilities		2,100,000		
Salaries and expenses, Office of the Administrator	8,601,000	9,898,000	9,898,000	9,898,000
Total, Health Services and Mental Health Administration	1,077,261,000	1,030,441,000	1,103,449,000	1,103,449,000

NATIONAL INSTITUTES OF HEALTH

Research Institutes (analysis by program):

1. Research grants:				
(a) Regular program:				
(1) Non-competing	327,698,000	331,200,000	331,200,000	331,200,000
(2) Competing	144,183,000	131,365,000	131,365,000	131,365,000
Subtotal	471,881,000	462,565,000	462,565,000	462,565,000
(b) General research support grants	52,945,000	52,945,000	52,945,000	52,945,000
(Total program including NIMH)	(60,700,000)	(60,700,000)	(60,700,000)	(60,700,000)
(c) Multidisciplinary centers	27,225,000	27,630,000	27,630,000	27,630,000
(d) Special programs	82,279,000	83,274,000	87,234,000	87,234,000
Subtotal, research grants	634,330,000	626,414,000	630,374,000	630,374,000

Footnotes at end of table.

NATIONAL INSTITUTES OF HEALTH—Continued

Appropriation and activity	1969 comparable	1970 revised budget	House committee recommendation	House floor action
Research institutes (analysis by program)—Continued				
2. Manpower development programs.....	\$197,727,000	\$179,000,000	\$179,000,000	\$179,000,000
3. Intramural research.....	85,554,000	87,689,000	87,689,000	87,689,000
4. Collaborative research and development.....	126,106,000	120,916,000	118,162,000	118,162,000
5. Other Institute direct operations.....	46,786,000	47,897,000	47,897,000	47,897,000
Total.....	1,090,503,000	1,061,916,000	1,063,122,000	1,063,122,000
John E. Fogarty International Center for Advanced Study in the Health Sciences.....	3,374,000	2,954,000	2,954,000	2,954,000
Research Institutes (analysis by appropriation):				
Biologics standards.....	8,305,000	8,225,000	8,225,000	8,225,000
National Cancer Institute.....	183,485,500	180,725,000	180,725,000	180,725,000
National Heart Institute.....	166,008,500	160,513,000	160,513,000	160,513,000
National Institute of Dental Research.....	29,697,500	29,289,000	29,289,000	29,289,000
National Institute of Arthritis and Metabolic Diseases.....	143,402,000	137,668,000	137,668,000	137,668,000
National Institute of Neurological Diseases and Stroke.....	106,013,500	101,256,000	101,256,000	101,256,000
National Institute of Allergy and Infectious Diseases.....	106,623,500	102,389,000	102,389,000	102,389,000
National Institute of General Medical Sciences.....	163,122,500	154,288,000	154,288,000	154,288,000
National Institute of Child Health and Human Development.....	72,590,500	75,852,000	73,098,000	73,098,000
National Eye Institute.....	22,240,000	23,685,000	23,685,000	23,685,000
Environmental health sciences.....	17,785,000	18,328,000	18,328,000	18,328,000
General research and services.....	71,229,500	69,698,000	73,658,000	73,658,000
Total.....	1,090,503,000	1,061,916,000	1,063,122,000	1,063,122,000
John E. Fogarty International Center for Advanced Study in the Health Sciences.....	3,374,000	2,954,000	2,954,000	2,954,000
Health manpower:				
1. Institutional support:				
(a) Medical, dental, and related.....	66,000,000	101,400,000	101,400,000	101,400,000
(b) Nursing.....	7,000,000	7,000,000	7,000,000	7,000,000
(c) Public health.....	9,471,000	9,471,000	9,471,000	9,471,000
(d) Allied health professions.....	10,975,000	10,988,000	10,988,000	10,988,000
Subtotal.....	93,446,000	128,859,000	128,859,000	128,859,000
2. Student assistance:				
(a) Traineeships.....	20,670,000	20,670,000	20,670,000	20,670,000
(b) Direct loans:				
(1) Medical, dental, etc.....	15,000,000	15,000,000	19,781,000	19,781,000
(2) Nursing.....	9,610,000	9,610,000	15,110,000	15,110,000
Subtotal, direct loans.....	24,610,000	24,610,000	34,891,000	34,891,000
(c) Scholarships:				
(1) Medical, dental, etc.....	11,219,000	16,000,000	11,219,000	11,219,000
(2) Nursing.....	6,500,000	12,000,000	6,500,000	6,500,000
Subtotal, scholarships.....	17,719,000	28,000,000	17,719,000	17,719,000
Subtotal, student assistance.....	62,999,000	73,280,000	73,280,000	73,280,000
3. Manpower requirements, utilization and program management.....	15,641,000	15,882,000	15,882,000	15,882,000
Total, health manpower.....	172,086,000	218,021,000	218,021,000	218,021,000
Health education loan fund: Sales insufficiencies and interest differential.....	200,000	957,000	957,000	957,000
Dental health:				
1. Grants.....	5,259,000	5,764,000	5,658,000	5,658,000
2. Direct operations.....	4,926,000	5,123,000	5,064,000	5,064,000
Total.....	10,185,000	10,887,000	10,722,000	10,722,000
Construction of health educational, research and library facilities:				
1. (a) Medical and related.....	60,000,000	94,480,000	94,500,000	94,500,000
(b) Dental.....	15,000,000	23,620,000	23,600,000	23,600,000
2. Nursing.....	8,000,000	8,000,000	8,000,000	8,000,000
3. Allied health professions.....	1,800,000			
4. Health research facilities.....	8,400,000			
Total, construction.....	93,200,000	126,100,000	126,100,000	126,100,000
National Library of Medicine:				
1. Grants.....	5,772,000	5,108,000	5,108,000	5,108,000
2. Direct operations.....	12,236,500	13,574,000	14,574,000	14,574,000
Total.....	18,008,500	19,682,000	19,682,000	19,682,000
Buildings and facilities.....		1,000,000	1,000,000	1,000,000
Salaries and expenses, Office of the Director.....	6,993,000	7,093,000	7,093,000	7,093,000
Total, National Institutes of Health.....	1,394,549,500	1,448,610,000	1,449,651,000	1,449,651,000
Scientific activities overseas (special foreign currency program).....	15,000,000	3,455,000	3,455,000	3,455,000

OFFICE OF EDUCATION

Elementary and secondary education:				
1. Educationally deprived children.....	1,123,127,000	* 1,216,175,000	* 1,216,175,000	* 1,396,975,000
2. Dropout prevention.....	5,000,000	24,000,000	5,000,000	5,000,000
3. Bilingual education.....	7,500,000	10,000,000	10,000,000	10,000,000
4. Supplementary educational centers.....	164,876,000	116,163,000		164,876,000
5. Library resources.....	50,000,000		* 200,163,000	50,000,000
6. Guidance, counseling, and testing.....	17,000,000			17,000,000
7. Equipment and minor remodeling.....	78,740,000			78,740,000
8. Strengthening State departments of education.....	29,750,000	29,750,000	29,750,000	29,750,000
9. Planning and evaluation.....		9,250,000	9,250,000	9,250,000
Total.....	1,475,993,000	1,405,338,000	1,470,338,000	1,761,591,000
School assistance in federally affected areas:				
1. Maintenance and operation.....	505,900,000	187,000,000	187,000,000	585,000,000
2. Construction.....	15,153,000	15,167,000	15,167,000	15,167,000
3. Evaluation.....	200,000			
Total.....	521,253,000	202,167,000	202,167,000	600,167,000

Footnotes at end of table.

OFFICE OF EDUCATION—Continued

Appropriation and activity	1969 comparable	1970 revised budget	House committee recommendation	House floor action
Education professions development:				
1. Preschool, elementary, and secondary:				
(a) Grants to States.....	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000
(b) Training programs.....	80,000,000	80,000,000	80,000,000	80,000,000
Total.....	95,000,000	95,000,000	95,000,000	95,000,000
Teacher Corps: 1. Operations and training.....	20,900,000	31,100,000	21,737,000	21,737,000
Higher education:				
1. Program assistance:				
(a) Strengthening developing institutions.....	30,000,000	30,000,000	30,000,000	30,000,000
(b) Colleges of agriculture and the mechanic arts.....	11,950,000	12,120,000	12,120,000	12,120,000
(c) Undergraduate instructional equipment and other resources.....	14,500,000			
Subtotal, program assistance.....	56,450,000	42,120,000	42,120,000	42,120,000
2. Construction:				
(a) Public community colleges and technical institutes.....	50,000,000	43,000,000	43,000,000	43,000,000
(b) Other undergraduate facilities.....	33,000,000			33,000,000
(c) Graduate facilities.....	8,000,000			
(d) Interest subsidization.....	3,920,000	11,750,000	11,750,000	11,750,000
Amount of subsidized loans.....	(145,000,000)	(290,000,000)	(290,000,000)	(290,000,000)
(e) State administration and planning.....	7,000,000	6,000,000	6,000,000	6,000,000
(f) Technical services.....	4,833,000	5,100,000	5,100,000	5,100,000
Subtotal, construction.....	106,753,000	65,850,000	65,850,000	98,850,000
3. Student aid:				
(a) Educational opportunity grants.....	124,600,000	175,600,000	159,600,000	159,600,000
(b) Direct loans.....	193,400,000	161,900,000	188,206,000	229,000,000
(c) Insured loans:				
(1) Advances for reserve funds.....	12,500,000			
(2) Interest payments.....	62,400,000	62,400,000	62,400,000	62,400,000
(3) Computer services.....	1,500,000	1,500,000	1,500,000	1,500,000
Subtotal, insured loans.....	76,400,000	63,900,000	63,900,000	63,900,000
(d) Work-study programs.....	139,900,000	154,000,000	154,000,000	154,000,000
(e) Cooperative education.....		(1)	(1)	(1)
(f) Special programs for disadvantaged students:				
(1) Talent search.....	4,000,000	5,000,000	5,000,000	5,000,000
(2) Upward Bound.....	(29,800,000)	30,000,000	30,000,000	30,000,000
(3) Special services in college.....		10,000,000	10,000,000	10,000,000
Subtotal, special programs.....	4,000,000	45,000,000	45,000,000	45,000,000
Subtotal, student aid.....	538,300,000	600,400,000	610,706,000	651,500,000
4. Personnel development:				
(a) College teacher fellowships.....	70,000,000	61,469,000	56,163,000	56,163,000
(b) Training programs.....	6,900,000	10,000,000	10,000,000	10,000,000
Subtotal, personnel development.....	76,900,000	71,469,000	66,163,000	66,163,000
5. Planning and evaluation.....		1,000,000	1,000,000	1,000,000
Total.....	773,403,000	780,839,000	785,839,000	859,633,000
Vocational education:				
1. Basic grants.....	234,216,000	234,216,000	302,216,000	359,716,000
2. Consumer and homemaking education.....	14,000,000	15,000,000	15,000,000	15,000,000
3. Cooperative education.....		14,000,000	14,000,000	14,000,000
4. Innovation.....		13,000,000	13,000,000	13,000,000
5. Curriculum development.....		2,000,000	2,000,000	2,000,000
6. Planning and evaluation.....		1,000,000	1,000,000	1,000,000
7. Work-study.....			10,000,000	10,000,000
8. Programs for students with special needs.....				40,000,000
9. Research.....				34,000,000
Total.....	248,216,000	279,216,000	357,216,000	488,716,000
Libraries and community services:				
1. Library services.....	40,709,000	23,209,000	40,709,000	40,709,000
2. Construction of public libraries.....	9,185,000			9,185,000
3. College library resources.....	25,000,000	12,500,000	12,500,000	12,500,000
4. Acquisition and cataloging by Library of Congress.....	5,500,000	4,500,000	5,500,000	5,500,000
5. Librarian training.....	8,250,000	4,000,000	4,000,000	4,000,000
6. University community services.....	9,500,000	9,500,000	9,500,000	9,500,000
7. Adult basic education.....	45,000,000	50,000,000	50,000,000	50,000,000
8. Educational broadcasting facilities.....	4,000,000	4,000,000	4,000,000	4,000,000
Total.....	147,144,000	107,709,000	126,209,000	135,394,000
Education for the handicapped:				
1. Preschool and school programs.....	29,250,000	29,190,000	29,190,000	29,190,000
2. Early childhood programs.....	945,000	3,000,000	3,000,000	3,000,000
3. Teacher education and recruitment:				
(a) Teacher education.....	29,700,000	29,700,000	29,700,000	34,000,000
(b) Recruitment and information.....	250,000	500,000	500,000	1,000,000
(c) Physical education and recreation.....	300,000	300,000	300,000	1,000,000
Subtotal, teachers.....	30,250,000	30,500,000	30,500,000	36,000,000
4. Research and innovation:				
(a) Research and demonstrations.....	12,800,000	14,050,000	12,800,000	15,000,000
(b) Regional resource centers.....	500,000	2,000,000	2,000,000	2,500,000
(c) Innovative programs:				
(Deaf blind centers).....	1,000,000	2,000,000	2,000,000	3,000,000
(d) Physical education and recreation.....	300,000	300,000	300,000	1,000,000
Subtotal, research.....	14,600,000	18,350,000	17,100,000	21,500,000
5. Media services and captioned films.....	4,750,000	4,750,000	4,750,000	5,500,000
6. Undistributed.....				4,810,000
Total.....	79,795,000	85,790,000	84,540,000	100,000,000

Footnotes at end of table.

OFFICE OF EDUCATION—Continued

Appropriation and activity	1969 comparable	1970 revised budget	House committee recommendation	House floor action
Research and training:				
1. Research and development:				
(a) Educational laboratories.....	\$23,600,000	\$25,750,000	\$25,750,000	\$25,750,000
(b) Research and development centers.....	10,800,000	10,000,000	10,000,000	10,000,000
(c) General education.....	26,951,000	26,950,000	26,950,000	26,950,000
(d) Vocational education.....	11,375,000	1,100,000	1,100,000	1,100,000
(e) Evaluations.....	1,250,000	3,000,000	3,000,000	3,000,000
(f) National achievement study.....	1,000,000	2,000,000	2,000,000	2,000,000
Subtotal, research and development.....	74,976,000	68,800,000	68,800,000	68,800,000
2. Major demonstrations.....	1,000,000	5,250,000	1,000,000	1,000,000
District of Columbia model school.....	(1,000,000)	(5,000,000)	(1,000,000)	(1,000,000)
3. Experimental schools.....		25,000,000		
4. Dissemination.....	4,226,000	7,200,000	7,200,000	7,200,000
5. Training.....	6,750,000	6,750,000	6,750,000	6,750,000
7. Statistical surveys.....	500,000	2,000,000	2,000,000	2,000,000
Total.....	87,452,000	115,000,000	85,750,000	85,750,000
Education in foreign languages and world affairs:				
1. Centers, fellowships, and research.....	15,165,000	15,000,000	15,000,000	15,000,000
2. Fulbright-Hays training grants.....	3,000,000	3,000,000	3,000,000	3,000,000
3. International Education Act.....		2,000,000		
Total.....	18,165,000	20,000,000	18,000,000	18,000,000
Research and training (special foreign currency program).....	1,000,000	1,000,000	1,000,000	1,000,000
Salaries and expenses.....	40,804,000	43,375,000	42,157,000	42,157,000
Student loan insurance fund.....		10,826,000	10,826,000	10,826,000
Higher education facilities loan fund:				
1. Loans to higher education institutions.....	100,000,000			
2. Participation sales insufficiencies.....	3,275,000	2,918,000	2,918,000	2,918,000
Total.....	103,275,000	2,918,000	2,918,000	2,918,000
Total, Office of Education.....	3,617,400,000	3,180,278,000	3,303,697,000	4,222,889,000
SOCIAL AND REHABILITATION SERVICE				
Grants to States for public assistance:				
1. Maintenance payments.....	3,395,424,000	3,948,340,000	3,948,340,000	3,948,340,000
2. Medical assistance.....	2,396,322,000	2,677,969,000	2,677,969,000	2,677,969,000
3. Social services and administration.....	624,800,000	725,242,000	725,242,000	725,242,000
Total.....	6,416,546,000	7,351,551,000	7,351,551,000	7,351,551,000
Work incentives:				
1. Training and incentives:				
(a) On-the-job training.....	18,969,000	15,732,000	15,732,000	15,732,000
(b) Institutional and work experience training.....	67,631,000	48,408,000	48,408,000	48,408,000
(c) Work projects.....	3,000,000	1,360,000	1,360,000	1,360,000
(d) Program direction and evaluation.....	5,300,000	8,000,000	8,000,000	8,000,000
Subtotal.....	94,900,000	73,500,000	73,500,000	73,500,000
2. Child care.....	22,600,000	56,140,000	56,140,000	56,140,000
Total.....	117,500,000	129,640,000	129,640,000	129,640,000
Assistance to repatriated U.S. nationals.....	645,000	700,000	700,000	700,000
Rehabilitation services and facilities:				
1. Vocational rehabilitation service:				
(a) Basic services.....	345,900,000	471,000,000	471,000,000	471,000,000
(b) Innovation.....	3,200,000	3,200,000	3,200,000	3,200,000
(c) Expansion of services.....	8,000,000	11,000,000	11,000,000	11,000,000
(d) Migratory agricultural workers.....		3,500,000		
Subtotal, services.....	357,100,000	488,700,000	485,200,000	485,200,000
2. Rehabilitation facilities:				
(a) Planning and construction.....	1,340,000		3,500,000	3,500,000
(b) Initial staffing.....	550,000	550,000	550,000	550,000
(c) Facility improvement:				
(1) Training service projects.....	6,000,000	6,333,000	6,333,000	6,333,000
(2) Improvement grants.....	4,000,000	4,200,000	4,200,000	4,200,000
Subtotal, facilities.....	11,890,000	11,083,000	14,583,000	14,583,000
Total.....	368,990,000	499,783,000	499,783,000	499,783,000
Mental retardation:				
1. Research.....	126,000	126,000	126,000	126,000
2. Hospital improvement.....	9,972,000	8,972,000	8,972,000	8,972,000
3. Rehabilitation service projects.....		4,500,000	4,500,000	4,500,000
4. Community service facilities:				
(a) Construction.....	6,000,000	8,031,000	8,031,000	12,031,000
(b) Initial staffing.....	8,358,000	12,000,000	12,000,000	11,371,000
5. Construction of university-affiliated facilities.....	9,100,000			
Total.....	32,556,000	33,629,000	33,629,000	37,000,000
Maternal and child health:				
1. Maternal and child health services.....	50,000,000	50,000,000	50,000,000	50,000,000
2. Crippled children's services.....	57,000,000	58,000,000	58,000,000	58,000,000
3. Maternity and infant care.....	48,000,000	61,850,000	61,850,000	61,850,000
4. Health of school and preschool children.....	39,000,000	40,950,000	40,950,000	40,950,000
5. Training.....	9,000,000	9,000,000	11,200,000	11,200,000
6. Research.....	6,200,000	8,700,000	6,200,000	6,200,000
Total.....	209,200,000	228,500,000	228,200,000	228,200,000

Footnotes at end of table.

SOCIAL AND REHABILITATION SERVICE—Continued

Appropriation and activity	1969 comparable	1970 revised budget	House committee recommendation	House floor action
Child welfare:				
1. Child welfare services.....	\$46,000,000	\$46,000,000	\$46,000,000	\$46,000,000
2. Training.....	5,800,000	5,800,000	5,800,000	5,800,000
3. Research and demonstration.....	4,400,000	4,600,000	4,400,000	4,400,000
4. White House Conference on Children and Youth.....		400,000	400,000	400,000
Total.....	56,200,000	56,800,000	56,600,000	56,600,000
Juvenile delinquency prevention and control:				
1. Planning, prevention, and rehabilitation.....	2,650,000	11,000,000	2,650,000	2,650,000
2. Training.....	1,300,000	2,600,000	1,300,000	1,300,000
3. Model programs and technical assistance.....	1,050,000	1,400,000	1,050,000	1,050,000
Total.....	5,000,000	15,000,000	5,000,000	5,000,000
Rehabilitation research and training:				
1. Research and demonstrations.....	21,325,000	21,325,000	21,325,000	21,325,000
2. Training.....	31,700,000	27,700,000	27,700,000	27,700,000
3. Special center program.....	10,275,000	10,275,000	10,275,000	10,275,000
4. International research (domestic support).....	100,000	100,000	100,000	100,000
5. Center for deaf-blind youths and adults.....	600,000	600,000	600,000	600,000
Total.....	64,000,000	60,000,000	60,000,000	60,000,000
Cooperative research or demonstration projects:				
1. Research grants.....	1,680,000	1,750,000	1,750,000	1,750,000
2. Directed research.....	1,470,000	9,750,000	9,750,000	9,750,000
Total.....	3,150,000	11,500,000	11,500,000	11,500,000
Research and training (special foreign currency program):	5,000,000	2,000,000	2,000,000	2,000,000
Salaries and expenses.....	27,265,000	31,500,000	28,780,000	28,780,000
Trust fund transfer.....	(348,000)	(360,000)	(360,000)	(360,000)
Total, Social and Rehabilitation Service.....	7,305,052,000	8,420,603,000	8,407,383,000	8,410,754,000

SOCIAL SECURITY ADMINISTRATION

Limitation on salaries and expenses.....	*(807,492,000)	*(901,500,000)	*(901,500,000)	*(901,500,000)
Payment to trust funds for health insurance for the aged:				
1. Reimbursement for the uninsured.....	465,227,000	617,262,000	617,262,000	617,262,000
2. Supplementary medical insurance.....	895,000,000	928,151,000	928,151,000	928,151,000
Subtotal.....	1,360,227,000	1,545,413,000	1,545,413,000	1,545,413,000
Payment for military service credits.....	105,000,000	105,000,000	105,000,000	105,000,000
Payment for special benefits for the aged.....	225,545,000	364,151,000	364,151,000	364,151,000
Consumer credit training.....		300,000		
Total, Social Security Administration.....	1,690,772,000	2,014,864,000	2,014,564,000	2,014,564,000

SPECIAL INSTITUTIONS

American Printing House for the Blind.....	1,340,000	1,404,000	1,404,000	1,404,000
National Technical Institute for the Deaf: Salaries and expenses.....	800,000	2,851,000	2,851,000	2,851,000
Model Secondary School for the Deaf:				
1. Salaries and expenses.....	400,000	415,000	415,000	415,000
2. Construction.....	445,000	351,000	351,000	351,000
Subtotal.....	845,000	766,000	766,000	766,000
Gallaudet College:				
1. Salaries and expenses.....	3,691,000	4,257,000	4,257,000	4,257,000
2. Construction.....		867,000	867,000	867,000
Subtotal.....	3,691,000	5,124,000	5,124,000	5,124,000
Howard University:				
1. Salaries and expenses.....	18,231,000	20,445,000	20,445,000	20,445,000
2. Construction.....	2,209,000	22,710,000	22,710,000	22,710,000
3. Freedmen's Hospital.....	9,030,000	9,109,000	9,109,000	9,109,000
Subtotal.....	29,470,000	52,264,000	52,264,000	52,264,000
Total, special institutions.....	36,146,000	62,409,000	62,409,000	62,409,000

DEPARTMENTAL MANAGEMENT

Office of the Secretary.....	5,133,000	5,975,000	5,975,000	5,975,000
Trust fund transfers.....	(389,000)	(398,000)	(398,000)	(398,000)
Office of Community and Field Services.....	4,189,000	4,730,000	4,510,000	4,510,000
Trust fund transfers.....	(2,168,000)	(2,486,000)	(2,325,000)	(2,325,000)
Office for Civil Rights.....	4,604,000	5,259,000	5,259,000	5,259,000
Trust fund transfers.....	(804,000)	(856,000)	(856,000)	(856,000)
Office of the Comptroller.....	9,242,000	10,425,000	10,425,000	10,425,000
Trust fund transfers.....	(1,255,000)	(1,808,000)	(1,808,000)	(1,808,000)
Office of Administration.....	4,926,000	5,234,000	5,066,000	5,066,000
Trust fund transfers.....	(302,000)	(359,000)	(350,000)	(350,000)
Surplus property utilization.....	1,243,000	1,255,000	1,255,000	1,255,000
Office of the General Counsel.....	2,161,000	2,282,000	2,244,000	2,244,000
Trust fund transfers.....	(1,375,000)	(1,416,000)	(1,396,000)	(1,396,000)
Public Broadcasting Corporation.....	5,000,000			
Total, departmental management.....	35,898,000	35,160,000	34,734,000	34,734,000

¹ Included in 2d Supplemental Appropriation Act, 1969.

² Includes \$1,010,814,300 advance appropriation for 1970 appropriated in the 1969 appropriation act.

³ Bloc amount for activities 4, 5, 6, and 7.

⁴ Up to 1 percent of work-study funds can be used for cooperative education.

⁵ Floor debate indicated that approximately \$5,000,000 was to be added to preschool and school programs; however, the earmarked amount for this activity was not changed.

⁶ Trust funds.

NASHVILLE'S METRO POLICE—THE GOOD GUYS—A MODEL IN COMMUNITY RELATIONS

(Mr. FULTON of Tennessee asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. FULTON of Tennessee. Mr. Speaker, a group of officers with the Nashville Metropolitan Police force have reversed the order of "Support Your Local Police," and are carrying out an impressive "Support Your Community" campaign.

Members of the metropolitan police department's community relations section are scoring successes in building confidence, respect, and understanding toward law officers among the children and their parents who are residents in the population-concentrated sections of Nashville. Major credit for the success of the program belongs to five officers, Sergeants William D. Bodenhamer and Sam Peach, along with Officers Bob Kirchner, Isaac Burford, and Billy Reece, and their work should be given full recognition.

This is the same police department which suffered unfavorable publicity on June 3, 1969, when unfounded and untrue, references were made before the Subcommittee on Criminal Laws and Procedures of the Senate Judiciary Committee by Assistant Attorney General Will Wilson. These charges, implying corruption within the Nashville Police Department, have been retracted by the Assistant Attorney General.

On different nights of the week, through the summer months, these officers, along with other members of the community relations section, pull up in a police station wagon, set up a record player, and youngsters in the neighborhood bring over their own records for an instant block party. At dusk, these officers set up a movie screen, thread their projector, and show a different full-length movie each week.

Youngsters, who once may have run at the sight of an officer, now know these men by name and have become good friends. The officers have an opportunity to talk with the young people and their parents, and these talks do not include the usual lectures on juvenile delinquency or discussion on life in housing projects. They are just friendly talks which have created real understanding between people.

This highly successful program was organized by Sergeant Bodenhamer, who recalled from his own childhood that the city is especially hard on children in the summertime.

Sergeant Bodenhamer, a 13-year veteran with the police force, said the purpose of the program was not only to provide entertainment for the children and their parents, but to give the officers an opportunity to get to know the kids, and let them know that the police are their friends.

The efforts of the metropolitan police department's community relations section could well serve as a model for other cities, and I urge my fellow Members of the Congress to read in full the report of this exceptional program as written

by Frances Meeker, a reporter for the Nashville Banner.

THE "GOOD GUYS" COOL A SWELTERING SUMMER WITH FUN—POLICE PROVIDE ENTERTAINMENT FOR HEAVILY POPULATED AREAS

(By Frances Meeker)

The little girl carried her baby brother on her hip as she came across the grassy field to join the other children clustered around the blue Metro police station wagon. Other children were rolling up on bicycles and tricycles. Something big was going on.

As the sun dropped behind the distant skyline, bringing relief from the intense summer heat, children and teenagers came from the nearby apartments of the James A. Cayce Homes with quilts and bedspreads which they spread on the thick grass. Excitement was in the air.

A little later the adults—young, middle-aged and elderly arrived with lawn chairs and soft drinks. Here was relief and relaxation after the day's work was over.

THE "GOOD GUYS"

And if you asked any of these people who the "good guys" around town are this summer, they would tell you it's the Metro Police Department, and especially Sgt. William D. Bodenhamer, Sgt. Sam Peach and Officers Bob Kirchner, Isaac Burford and Billy Reece.

These policemen, through the department's Community Relations Section, are providing entertainment on hot summer nights for the children—and their parents—of the population-concentrated sections of the city.

Following the same weekly schedule, the officers are visiting the Sam Levy Homes on Monday; Edgehill Park, Tuesday; Hadley Park Wednesday; Cayce Homes, Thursday; and Sudekurn Homes, Friday. They play records, talk with the people and show a different full-length movie each week.

As soon as the policemen arrive, the children are there with their own records which they give to Sgt. Bodenhamer to play on the record-player in the station wagon. Then the small children gather close to the loudspeakers, even though the music can be heard several blocks away, and the larger ones dance and skip on the grass.

Prior to the movie at the Cayce Homes Thursday night, the officers were kept busy handcuffing small boys and girls together.

"I'm next, Mr. Bodenhamer! Handcuff me!" two boys shouted, seconds later the two lucky youngsters strutted off, hands manacled together.

A little girl kept watching the large movie screen that had been set up before dark. "I'll bet they'll have something good up there," she commented.

Mrs. Pauline Freeman, who lives in the Cayce Homes and is a playground worker at the Martha O'Bryan Community Center in the homes, brought her four children.

"This is the best thing that ever happened for us," she said.

Mrs. Freeman said when the children in the Cayce Homes first heard of the summer program, they thought there was "a catch to it."

"They thought the policemen would lecture on juvenile delinquency or discuss life in the housing projects," she said.

Then after they found out it was "all fun," they were afraid the policemen wouldn't come back, she said.

Mrs. Freeman said many of the children were seeing movies for the first time in their lives, and many families were going to the movies together for the first time.

The summer program was the brainchild of Sgt. Bodenhamer, who said he remembers from his own childhood in Nashville that it can be hard to be a child in the city especially in the summertime.

"I remember how I enjoyed the free park movies they had back then. I used to fight to be the one to help set up the screen,"

said Bodenhamer, who grew up during the 1930's and 40's.

"We also want to get to know the kids and let them know we are their friends," said the 13-year veteran of the police force.

And that's fine with the kids.

"That's Mr. Bodenhamer; I know him," one small Cayce Home resident informed his companion as the big police sergeant set up the movie equipment under the watchful eyes of children.

GEORGIA-PACIFIC CORP. DONATES REDWOOD STAND TO NATURE CONSERVANCY

(Mr. DON H. CLAUSEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DON H. CLAUSEN. Mr. Speaker, on Wednesday, July 30, the Georgia-Pacific Corp. donated a \$6 million prime stand of redwood timber to the Nature Conservancy as a dramatic demonstration of that company's continued cooperation with the American conservation movement. The grove was then turned over to the State of California by the Nature Conservancy, thereby enhancing and improving the State park system.

Knowing of my colleagues' intense interest in the conservation of our great natural resources, I felt that they would be interested in the release put out by the Nature Conservancy detailing the donation, which I would like to make a part of the Record, along with my congratulations to the Georgia-Pacific Corp., the Nature Conservancy, the Save-the-Redwoods League, and the State of California, who made this tremendous gesture a reality.

This demonstration of corporate concern for conservation and environmental matters is deserving of our highest commendations and expressions of appreciation. This beautiful redwood grove, in addition to providing the people of California with another redwood conservation "gem," will serve as a symbol of conservation awareness by the Georgia-Pacific Corp. All Americans will be eternally grateful.

GEORGIA-PACIFIC DONATES \$6 MILLION PRIME REDWOOD STAND TO THE NATURE CONSERVANCY

WASHINGTON, D.C.—The Nature Conservancy, of Washington, D.C., announced today the donation by Georgia Pacific Corporation, one of the nation's largest forest products companies, of a \$6-million stand of prime redwood located on the Van Duzen River in Northern California.

The gift, which the Conservancy termed one of the largest in the history of the American conservation movement, embraces two redwood groves totaling 390 acres situated 12 miles southeast of Fortuna, California.

A brief, noontime ceremony was held Wednesday, July 30, at the site, attended by Georgia Pacific, The Nature Conservancy, Save-the-Redwoods League, and state park officials, Robert B. Pamplin, Portland, Oregon, chairman and president of Georgia Pacific, gave the deed to the property to Thomas W. Richards, of Washington, D.C., president of The Nature Conservancy, who symbolically handed it to William Penn Mott, chief of the California State Park System, which will administer the park.

Richards, as president of The Nature Con-

servancy, a national, non-profit organization formed to acquire and protect outstanding natural areas, praised the company saying, "This public-spirited gift is a tribute to the conservation awareness of Georgia Pacific officials. This marks a significant breakthrough for the conservation movement. This gift represents what may be the largest ever made by an American business firm for conservation purposes. Georgia Pacific, with the contribution, sets an example for America's resource-based industries. We are grateful to them and hope that other industries will follow their lead."

Included in the gift are some 206 acres of old growth redwood, classified triple O, which signifies the oldest and best timber. Many of the trees are between 400 and 800 years old and a number are 15 or more feet in diameter. The volume of timber in the stand runs between 300,000 and 400,000 board feet per acre; the total amount of top grade redwood is enough to build houses for over a million people. The remaining land includes young growth redwoods and river bar and meadowlands.

Pamplin remarked, in making the gift, that "We have always recognized the need for recreational use of forest lands. We maintain several dozen beautiful parks in our western timber ownership for the use of the public." Earlier he noted that the company strongly believes "in the multiple use of timber and timber lands. We believe this renewable resource can—and must—serve many masters."

Also present at the ceremony was Dr. Ralph W. Chaney, president of the Save-the-Redwoods League, the organization which has pioneered the conservation of California's redwood groves. Chaney expressed delight with the gift, noting that the "countless people who seek the tranquil beauty of the redwood region will be able to enjoy this park year after year."

The gift tract includes two groves and a connecting strip of land. The groves will be named after Pamplin and Owen R. Cheatham, founder of Georgia Pacific. The land has been held for park use since the turn of the century, first by the Hammond Lumber Company, and for the past 14 years by their successors, the Georgia Pacific Corporation. In the westernmost grove, there is an open recreational area and a swimming hole.

Administration of the new park will be from the nearby Grizzly Creek Redwood State Park.

MFN FOR RUMANIA

(Mr. FINDLEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FINDLEY. Mr. Speaker, today I am introducing legislation which will give the President the authority, when certain conditions are met, to grant most-favored-nation tariff treatment to the country of Rumania. Joining me as cosponsors of the bill are two of my distinguished colleagues, the gentleman from Kansas (Mr. MIZE), who is chairman of the Republican task force on east-west trade, and my colleague on the Foreign Affairs Committee from Massachusetts (Mr. MORSE).

This is an especially propitious moment for a congressional initiative in our foreign policy toward Eastern Europe. Following immediately after President Nixon's return from his successful trip to Rumania, and his warm greeting by its people, this bill provides for congressional recognition of the independent, nationalistic attitude which makes Rumania unique among the Warsaw Pact nations.

There are many reasons why Rumania should be chosen for this special tariff treatment, none the least of which is the demonstrated desire for friendship exemplified by the welcome it accorded to President Nixon. Referring to the President's visit, President Ceausescu states:

There are no direct disputes between Rumania and the United States, and we wish to develop relations of collaboration in the economic, technical, scientific, and other fields with the United States, (and) with the American people.

This statement typifies the "Rumania first" attitude Ceausescu has taken, irrespective of whether a particular policy may dovetail with that of the Soviet Union.

In 1962, when Russia proposed to fully integrate the economies of the Eastern European countries with her own and introduce areawide economic planning, Rumania steadfastly refused to participate. The Russian masterplan called for Rumania to produce raw materials, mineral and agricultural products, rather than an industrial complex including an immense iron and steel mill which Rumania favored. This act of opposition, more than any other, helped preserve the economic and territorial integrity of all the East European nations.

When Russia led the other Warsaw Pact nations in an invasion of Czechoslovakia in August of 1968, Rumania bitterly condemned it as "a great mistake and a grave danger to peace in Europe." Further, Ceausescu warned the Soviets that "they would encounter armed resistance if they tried to invade Rumania."

Although Rumania unfortunately has not permitted the development of personal and economic freedom among its people, nevertheless it is this same principle of freedom which it holds to be inviolate as between nations. Ceausescu has stated:

We base our foreign policy on the principle of equality of rights, noninterference in the internal affairs of others, respect for sovereignty and national independence, and the right of the peoples to decide their own fate without outside interference.

This principle has led Rumania to establish and maintain relations with West Germany and Israel, oppose the Soviet version of the Nuclear Nonproliferation Treaty, walk out of the Budapest Conference of Communist bloc countries in August of 1968, and often vote in opposition to the position of the Soviet Union in the United Nations General Assembly.

Rumania's independence in the determination of its own foreign policy should be encouraged by the United States. For it is this independence and the consequent lack of solidarity in the Communist bloc, which permit the United States to lead from a position of strength when dealing with the Soviet Union.

Congress can encourage that independence in the Rumanians by authorizing the President to grant them most-favored nation tariff treatment. Increased trade which would result from such action would also aid our commercial interests.

MFN would make Rumania less economically dependent upon the U.S.S.R. than it is today. Last year, although Rumania had the lowest percentage of trade with Russia of any East European country, it nevertheless amounted to a whopping 30 percent of her total exports. The economic leverage which this gives to the Soviet Union cannot help but spill over into the political realm. In fact, there can never be political independence for a country until there is economic independence. By helping to provide that economic independence, the United States can at the same time help to provide the foundation for political independence which is so much in our own national interest.

MFN for Rumania would also be in our own commercial interest. If trade restrictions were the common policy of all of the western nations in their dealings with Communist countries, they might have a potent economic and political impact. However, of all of our European allies, we are the only ones who do not presently grant MFN to Rumania. We therefore impose no serious problem to Rumania by this attitude but hurt only our own interests.

To be sure the Rumanians are indeed desirous of gaining MFN tariff treatment and the increased trade which they hope it will make possible. However, one of the chief reasons they desire this is so that they will be able to earn more American dollars with which to buy more and better American goods and technology. The advantages this holds for U.S. businessmen are obvious.

Upon his return from Rumania, President Nixon told the throng of people gathered at Andrews Air Force Base:

Deep differences in political philosophy cannot permanently divide the peoples of the world.

What is most important for the United States is that those differences in political philosophy should not be used like a vise to crush the independent, nationalistic course which the Rumanians have chosen for themselves. This will not occur so long as America recognizes that independence and actively encourages it. President Nixon has taken a major step in this direction through his trip to Rumania. The Congress should act now to encourage this independence and strengthen the bond of friendship which presently exists between our two countries by granting authority to the President to negotiate most-favored-nation tariff treatment with the Rumanians.

The text of the aforementioned bill follows:

H.R. 13305

A bill to promote the foreign policy and security of the United States by providing authority to negotiate a commercial agreement with Rumania, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Rumanian Trade Relations Act of 1969".

STATEMENT OF PURPOSES

SEC. 2. The purposes of this Act are—
(a) to use peaceful trade and related contacts with Rumania as a means of advancing

the long-range interest of the United States in peace and freedom;

(b) to promote constructive relations with Rumania, to contribute to international stability, and to provide a framework helpful to private United States firms conducting business relations with state trading agencies in Rumania by instituting regular government-to-government negotiations concerning commercial and other matters of mutual interest; and

(c) to increase peaceful trade and related contacts between the United States and Rumania, and to expand markets for products of the United States in that country.

AUTHORITY TO ENTER INTO COMMERCIAL AGREEMENTS

SEC. 3. The President may make a commercial agreement with Rumania providing most-favored-nation treatment to one or more of the products of that country whenever he determines that such agreement—

(a) will promote the purposes of this Act,

(b) is in the national interest, and

(c) will result in benefits to the United States equivalent to those provided by the agreement to the other party and further determines that the government of such country is a member of the General Agreement on Tariffs and Trade.

BENEFITS TO BE PROVIDED BY COMMERCIAL AGREEMENTS

SEC. 4. The benefits to the United States to be obtained in or in conjunction with a commercial agreement made under this Act may be of the following kind, but need not be restricted thereto:

(a) satisfactory arrangements for the protection of industrial rights and processes;

(b) satisfactory arrangements for the settlement of commercial differences and disputes;

(c) arrangements for establishment or expansion of United States trade and tourist promotion offices, for facilitation of such efforts as the trade promotion activities of United States commercial officers, participation in trade fairs and exhibits, the sending of trade missions, and for facilitation of entry and travel of commercial representatives as necessary;

(d) most-favored-nation treatment with respect to duties or other restrictions on the imports of the products of the United States, and other arrangements that may secure market access and assure fair treatment for products of the United States; or

(e) satisfactory arrangements covering other matters affecting relations between the United States and Rumania concerned, such as the settlement of financial and property claims.

PROVISIONS TO BE INCLUDED IN COMMERCIAL AGREEMENTS

SEC. 5. A commercial agreement made under this Act shall—

(a) be limited to an initial period specified in the agreement which shall be no more than three years from the time the agreement becomes effective;

(b) be subject to suspension or termination in whole or in part at any time upon reasonable notice;

(c) provide for consultations at regular intervals for the purpose of reviewing the operation of the agreement and relevant aspects of relations between the United States and Rumania; and

(d) be renewable for additional periods, each not to exceed three years.

EXTENSION OF BENEFITS OF MOST-FAVORED-NATION TREATMENT

SEC. 6. (a) In order to carry out a commercial agreement made under this Act and notwithstanding the provisions of any other law, the President may by proclamation extend most-favored-nation treatment to one or more of the products of Rumania entering into such commercial agreement: *Provided*, That the application of most-favored-nation

treatment shall be limited to the period of effectiveness of such commercial agreement.

(b) The President may at any time suspend or terminate in whole or in part any proclamation issued under subsection (a). The President shall suspend or terminate such proclamation whenever he determines that—

(1) the other party to a commercial agreement made under this Act is no longer fulfilling its obligations under the agreement; or

(2) the suspension or termination of the agreement is in the national interest.

ADVICE FROM GOVERNMENT AGENCIES AND OTHER SOURCES

SEC. 7. Before making a commercial agreement under this Act, the President shall seek information and advice with respect to such agreement from the interested departments and agencies of the United States Government, from interested private persons, and from such other sources as he may deem appropriate.

TRANSMISSION OF REPORTS TO CONGRESS

SEC. 8. The President shall submit to the Congress an annual report on the commercial agreements program instituted under this Act. Such report shall include information regarding negotiations, benefits obtained as a result of commercial agreements, the texts of any such agreements, and other information relating to the program.

RELATION TO OTHER LAWS

SEC. 9. (a) Nothing in this Act shall be deemed to modify or amend the Export Control Act of 1949 (50 U.S.C. App. 2021 et seq.) or the Mutual Defense Assistance Control Act of 1951 (22 U.S.C. 1611 et seq.).

(b) Any commercial agreement made under this Act shall be deemed a trade agreement for the purposes of title III of the Trade Expansion Act of 1962 (19 U.S.C. 1901 et seq.).

(c) The portion of general headnote 3(e) to the Tariff Schedules of the United States that precedes the list of countries and areas (77A Stat. 11; 70 Stat. 1022) is amended to read as follows:

"(e) Products of Communist Countries. Notwithstanding any of the foregoing provisions of this headnote, the rates of duty shown in column numbered 2 shall apply to products, whether imported directly or indirectly, of the countries and areas that have been specified in section 401 of the Tariff Classification Act of 1962, in sections 231 and 257(e)(2) of the Trade Expansion Act of 1962, or in actions taken by the President thereunder and as to which there is not in effect a proclamation under section 6(a) of the Rumanian Trade Relations Act of 1969. These countries and areas are:"

CRAMER WATER POLLUTION CONTROL FINANCING BILL PUSHED

(Mr. CRAMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAMER. Mr. Speaker, I wanted to speak on the subject of adequate funds for water pollution control, sewage treatment plant construction.

Last year this body and the other body passed a bill providing an alternative means of financing water pollution control with Government guarantee of the Federal share for local water pollution control bond issues, and it passed unanimously in the House and the other body. Unfortunately, it got tangled up in other matters and the total bill was not passed.

I have reintroduced, along with many of my colleagues, a bill this year to ac-

complish a similar objective, to take up the slack in the difference between the \$1 billion authorized for fiscal year 1970 and the \$1.25 billion for fiscal year 1971 and the amount of the appropriation which was recommended both by the Johnson and Nixon administrations at \$214 million for 1970, or about one-fifth of the amount of money authorized.

Whatever is appropriated, there is going to be a difference between appropriations and authorizations. I think this supplemental financing provision should become law. I introduced it earlier on request of the Nixon administration as H.R. 12913 and I will reintroduce it with an addition that a 5-percent bonus allocation should go to the States that have laws to put up 25 percent of the cost of sewage treatment plants because so many Members have asked me to add this provision. If we are going to meet the problem of dirty water and dirty rivers and clean up our streams, we have to have adequate financing. This is the way to accomplish it without busting the budget and without substantially increasing the appropriations. I hope this, when introduced tomorrow becomes law, as it needs to, this year.

A copy of the bill as amended follows:

H.R. 12913

A bill to amend the Federal Water Pollution Control Act, as amended, to provide adequate financial assistance and to increase the allotment to certain States of construction grant funds.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Water Quality Financial Assistance Act of 1969".

SEC. 2. Section 8 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 466e), is amended—

(1) by redesignating subsections (f) and (g) as (g) and (h); and

(2) by inserting a new subsection after subsection (e) to read as follows:

"(f) (1) For the purpose of this subsection, the term 'contracting party' means a State, municipality, or intermunicipal or interstate agency.

"(2) For the purpose of providing an additional method of financing treatment works under this Act, the Secretary, within limits to be established in appropriation Acts for the fiscal years 1970 and 1971, may enter into contracts in any such fiscal year in which the amount appropriated for grants under subsection (b) exceeds \$100,000,000, such limit shall not exceed for the fiscal year 1970, the difference between \$1,000,000,000 and the amount appropriated for such fiscal year for grants under subsection (b), and shall not exceed for fiscal year 1971 an amount equal to three times the amount appropriated for such fiscal year for grants under subsection (b). The total of the principal sum available for contracts under this subsection for fiscal year 1971 and the amount actually appropriated for grants under subsection (b) of this section for fiscal year 1971 shall not exceed the amount authorized to be appropriated for grants under such subsection (b) for such fiscal year. Such contracts may be entered into with any contracting party to make payments over a period of not to exceed thirty years from the date of the contract to cover the Federal share of construction costs of treatment works that meet the applicable requirements of subsection (b) of this section and the first sentence subsection (c) of this section, except that not to exceed 25 per centum of the sum allocated pursuant to paragraph (3) of this subsection to a State for fiscal years 1970 and 1971 for

such contracts under this subsection may be used to provide reimbursement for treatment works eligible for reimbursement payments under the sixth and seventh sentences of subsection (c) of this section.

"(3) Sums available for contracts under this subsection for each fiscal year beginning after June 30, 1969, shall be allotted by the Secretary in accordance with the ratio that the population of each State bears to the population of all the States. Sums allotted under this paragraph to a State which are not obligated within six months following the end of the fiscal year for which they were allotted shall not be reallocated and shall lapse, except that sums allotted to a State in fiscal year 1970 shall be available for obligation therein for eighteen months from the effective date of this subsection.

"(4) The Federal share for treatment works with respect to which a contract is entered into under paragraph (2) of this subsection shall be the same percentage as would be the case for such works under subsections (b) and (g) of this section.

"(5) Each contract shall include such reasonable terms and conditions as the Secretary deems appropriate."

Sec. 3. Section 8(d) of the Federal Water Pollution Control Act, as amended, is amended to read as follows:

"(d) For the purpose of making grants under this section, there is authorized to be appropriated \$700,000,000 for the fiscal year ending June 30, 1969; \$1,000,000,000 for the fiscal year ending June 30, 1970; and \$1,250,000,000 for the fiscal year ending June 30, 1971; and in addition, there is authorized to be appropriated such sums as may be necessary to make payments on contracts entered into under subsection (f) of this section. At least 50 per centum of the first \$100,000,000 appropriated for grants each fiscal year beginning on or after July 1, 1965, shall be used for grants for the construction of treatment works servicing municipalities of one hundred and twenty-five thousand population or under. Sums appropriated to carry out this section shall remain available until expended.

Sec. 4. Section 8 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 466e), is amended—

(1) by inserting after the word "grant" to clauses (1), (3), (4), and (5) of subsection (b) the words "or contract"; and after the word "grantee" in clause (3) of subsection (b) the words "or contractee";

(2) by inserting after the words "Federal grants" in the first line of subsection (b), the words "and contracts";

(3) by inserting after the word "appropriated" wherever it appears in the second and third sentences of subsection (c) the words "for grants under subsection (b) of this section";

(4) by inserting a comma after the words "subsection (b) of this section" in the first sentence of redesignated subsection (g) and the following: "or the amount contracted for under subsection (f) of this section," and by striking out in such sentence "the amount of such grant" and inserting in lieu thereof "such amount"; and

(5) by inserting after "grants" in redesignated subsection (h) the following: "or contracts".

Sec. 5. Subsection (c) of section 8 of the Federal Water Pollution Control Act (33 U.S.C. 466c) is amended by inserting immediately after the third sentence thereof the following: "The allotment of each State eligible to receive Federal grants from such allotment of 50 per centum or more of project costs shall be increased by an additional 5 per centum, except that (A) such increase shall not reduce the allotment of any other State and (B) such 5 per centum increase shall not be obligated by any such State until an appropriation is made under authority of the next sentence specifically for such

purpose. There is authorized to be appropriated, in addition to amounts otherwise authorized to be appropriated to carry out this Act, such sums as may be necessary to carry out the preceding sentence."

Sec. 6. The amendment made by section 5 of this Act shall take effect with respect to the allotments made under section 8(c) of the Federal Water Pollution Control Act for fiscal years ending on and after June 30, 1970.

PROBLEMS OF TRANSPORTATION

The SPEAKER pro tempore (Mr. PRICE of Illinois). Under a previous order of the House the gentleman from Connecticut (Mr. WEICKER) is recognized for 60 minutes.

(Mr. WEICKER asked and was given permission to revise and extend his remarks and to include extraneous matter.)

Mr. WEICKER. Mr. Speaker, I am reintroducing today, in conjunction with my colleagues, the gentleman from New York (Mr. ROBISON), the gentleman from Illinois (Mr. ANDERSON), the gentleman from California (Mr. REES), the gentleman from Alaska (Mr. POLLOCK), the gentleman from Massachusetts (Mr. DONOHUE), the gentleman from Connecticut (Mr. MESKILL), the gentleman from Florida (Mr. FREY), the gentleman from New York (Mr. HASTINGS), the gentleman from Pennsylvania (Mr. McDADE), the gentleman from New York (Mr. BUTTON), a bill entitled the "Federal Transportation Act."

Mr. Speaker, I would like to make reference, if I may at this point, to some comments which I made back on June 24. At that time I stated that one of our great national strengths is the unbounded enthusiasm which we as a nation generate for a particular project at a particular moment in time and that the American people have at one time or another exploded enthusiastically for short periods of time for a particular mode of transportation.

Mr. Speaker, this morning in the mail I received a letter from the Connecticut Transportation Authority which I would like to read into the RECORD and have it made a part of the RECORD. The letter reads as follows:

STATE OF CONNECTICUT, CONNECTICUT TRANSPORTATION AUTHORITY,
Hartford, Conn., July 31, 1969.

HON. LOWELL P. WEICKER, JR.,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN WEICKER: The enclosed telegram was sent to Senator John Sparkman, Chairman of the Senate Committee on Banking and Currency, to express support for bills calling for establishment of a Mass Transportation Trust Fund. These bills are being heard by the Senate Subcommittee on Housing and Urban Affairs.

To meet our transportation problems, Connecticut and our nation must do more than build complex super highway systems and larger airports. We must make mass transportation facilities more attractive to relieve highway congestion and air pollution. We must encourage people to use trains rather than automobiles. We must modernize our most dependable and most efficient form of transportation—our railroads!

Federal funds of only \$150 million per year have been available for mass transportation, in contrast to the sum of almost \$10 billion per year in Federal funds that we are spending to build more highways.

I would appreciate your continued support

for preservation and improvement of essential rail services by your endorsement and support of legislation to establish a Mass Transportation Trust Fund.

Sincerely,

FRANK M. REINHOLD,
Chairman.

I think this is an opportune time to set that letter against the comments made on June 24 because certainly mass transportation, particularly rail transportation, is of key importance to my particular Congressional District of Connecticut. And yet, quite frankly, if we explore—and this very well might be the year or the years for mass transportation by rail—if we explore or concentrate entirely on this one area, then the very problems that have come to pass due to the emphasizing of one area of transport, such as highways, canals, airport expansion, et cetera, over another will come to pass again and are the very problems which the transportation trust fund seeks to avoid.

I see through my section of the country, and indeed throughout all areas of the United States, airports that are totally tied up, rail systems that have been allowed to disintegrate, bus systems that are no more in the cities and highways that are just one long parking lot. In fact, it can be said that although there may be 1,000 transportation happenings in the United States, there is no transportation system.

It is not easy, certainly, for any one of us to stand up in the face of the interests that represent the component parts of transportation. Maybe that is why it is fitting that I should stand in front of the House this evening and not be pumping for a mass transportation trust fund, and for an emphasis on rail transportation, but rather to emphasize the need for coordination and for one transportation trust fund.

On paper, at least, there may be an alternative to new airports for New York. Air traffic in and out of New York between Washington or Boston accounts for 350 of the 1,600 or so commercial flights a day. These flights carry 14,000 people—all of whom could be moved in 45 trains the size of the Penn Central's new Metroliner. The trains, which are held to an 80-mile-an-hour average by grade crossings and by the fact that they must share the track with slower equipment, are capable of speeds up to 164 miles an hour. Even at the present slower speeds, they are making the trip between downtown Washington and downtown New York in just 30 minutes to an hour longer than it takes to fly.

In theory, you could take enough pressure off the New York airports by increasing train travel so that New York would not need even one more jetport—or wouldn't need it right now.

In my own State of Connecticut we have an airport, Bradley Field. The No. 1 runway at Bradley Field is the second largest runway in the entire eastern United States, exceeded only by Kennedy, and yet the use of Bradley Field is minimal. The people of Connecticut flood into New York and utilize LaGuardia, John F. Kennedy, and Newark airports. They would use Bradley Field if it were tied into a high-speed

rail system from the lower part of the State into that particular air terminal.

I would ask a question here. I have read much in the local newspapers in Washington, D.C. of a proposed subway system, and I ask whether or not plans are being made to link that subway system into the airports of the Washington area? Not just a subway to service the downtown areas, but rather to serve the airports and thus eliminate the tremendous traffic problems which are generated on the arteries leading from the cities to the air terminals.

Sometime take a drive down from Boston to Washington and see the airports that are only partially utilized at New Bedford, Providence, Bradley, Friendship, and Dulles. Is there really a need for additional airports or is it a need for coordination and utilization of what exists?

I suspect that the chances of this bill passing are mighty small. Yet, if it serves one purpose, which is to get this issue out into the open, where it can be discussed by those who have a knowledge of transportation, then I think it will serve this country's transportation problem rather well.

Mr. Speaker, in the days ahead and the years ahead when there is going to be a doubling of the population and a doubling of the facilities to serve that population, how is it going to be handled? Are we going to put forth the billions of dollars necessary and make the dollars conform to the present system? Because, if we do that, we will be throwing our money away.

Or are we going to reject the system as it has developed and as the special interests have protected it, and start on a new tack?

I do not speak against the highway trust fund—I do not speak against the concept of an airport trust fund—or a mass transit rail trust fund. But no one of these modes of transportation can serve the Nation by itself. In fact, what will happen to a highway trust fund and to an airport trust fund and to a rail trust fund is eventually that the American public will lose its interest in one mode of transportation and then it will be years, just as it has been for the railroads before, the public will pay proper attention to that particular mode of transportation. It goes through a dry spell and the Nation's transportation suffers accordingly.

I speak then today not against any one mode of transportation but in fact for all of our modes of transportation, with the hope that this Congress does not paint itself into a corner. I think the facts speak for themselves. The facts, when it comes to transportation as they apply to the citizens of this country are all too clear—you cannot move. I think the job lies in our hands and with the reasoning of coordination we can do that job well.

Mr. MESKILL. Mr. Speaker, will the gentleman yield?

Mr. WEICKER. I yield to my colleague from Connecticut.

Mr. MESKILL. Mr. Speaker, I want to commend and to congratulate the gentleman for his fresh approach to this problem. It is a very serious problem.

I want to associate myself with the re-

marks the gentleman has made and to say I am very happy to join with him as a cosponsor of this legislation. I think his remarks have been to the point and I certainly want to commend him for his activity in this area which is very important and probably more visible to him and his area than it is perhaps in mine or any other area in the State of Connecticut. The gentleman's district is certainly so close to New York and so deeply involved in the commuter problem that I can assure the gentleman that this problem does branch out through the rest of the State and the rest of the country.

I think the recommendations which are included in the legislation which he initiated and which I was happy to join with him as a cosponsor are certainly excellent.

Mr. WEICKER. I thank the gentleman for his gracious comments.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. WEICKER. I yield to the gentleman from Illinois, a coauthor of this bill.

Mr. ANDERSON of Illinois. Mr. Speaker, I would like to join my colleague in commending the gentleman now in the well for the industry and initiative that he has displayed in introducing this legislation in which I was pleased to join as a coauthor.

It is true, as has just been pointed out, that he represents one of the most densely populated areas, I am sure, in the whole of the United States, and yet the coming transportation crisis—indeed, the crisis that is already upon us—is one that I think, as the gentleman has pointed out, affects not only a section or an area of our country, but the whole future of our economy depends on the degree of mobility which we are able to maintain, and to the extent that we have a transportation crisis in Connecticut, or in the Northeastern part of the United States, we have a crisis affecting the whole of the United States.

So again I think the gentleman has performed a very useful service in drawing up this bill, in introducing it, and providing a focus for our discussion of this very important problem.

Mr. WEICKER. I thank the gentleman from Illinois for his comments and assistance.

GENERAL LEAVE

Mr. WEICKER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and to include extraneous matter on the subject of my special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

SPECIAL SUBCOMMITTEE ON REORGANIZATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California (Mr. SISK), is recognized for 60 minutes.

Mr. SISK. Mr. Speaker, some 3 months ago the distinguished chairman of the Committee on Rules appointed a Special Subcommittee on Reorganization and honored me with its chairmanship. I

have asked for this time so that I might present to the House a progress report on the subcommittee's work to date.

You will recall that Congress established a Joint Committee on the Organization of the Congress early in 1965. After extensive hearings, that joint committee offered some 120 recommendations for congressional reorganization and reform in such widely diverse areas as our committee system, fiscal controls, staffing, research services, ethics, house-keeping, and the Lobbying Act. In 1967, the Senate considered a bill based upon many of those recommendations. The bill was amended and then passed by a 75-to-9 vote, but the House did not act.

It became evident during the first few months of this year that there is considerable sentiment for congressional reorganization in the 91st Congress. Thus far this session almost 200 Members of the House have introduced or cosponsored more than a dozen omnibus legislative reorganization bills, most of them similar in many respects to the Senate-passed bill of the 90th Congress. All these measures have been referred to the Committee on Rules which, in turn, has assigned them to the special subcommittee for study and a report.

Mr. Speaker, I am aware that doubts have been voiced about the intentions of our subcommittee. Let me say in the clearest and most unequivocal language at my command that insofar as I have anything to do with it this subcommittee will report a bill, that the bill will contain the substance of many provisions in the measures referred to us, and that it will offer in addition other significant and meaningful improvements in congressional organization, procedures, and resources. Furthermore, I intend to urge the Committee on Rules to bring that bill to the floor of the House early in the next session of the 91st Congress. Other members of the subcommittee may speak for themselves, but I have seen no evidence that any of my colleagues differ with these views.

Some Members evidently believe we are taking an inordinately long time to report a measure to the House, and see this as evidence of our alleged reluctance to support congressional modernization and reform. I repeat, it is the subcommittee's intention to bring a bill to the floor, but let me add that it is also our intention to bring out a carefully drafted bill whose provisions and their implications have been thoroughly explored. Congress will have to live with those provisions for a long time. Their consequences may have a profound effect upon the future of democratic government in this country. Surely under those circumstances we want to understand exactly what we are doing. Surely we want to assess as accurately as we can the impact of our committee operations, on each Member, and on our relationships with the executive branch.

Careful assessment of so complex and intricate a bill is not the work of a day, a week, or a month. I myself did not at first fully appreciate just how complex and intricate a subject it is, the Senate bill's 134 pages bristle with 78 sections, almost every one of which contains at least one, and often several substantive provisions. Other bills introduced this

year have added many additional and provocative proposals to be considered. I assume this House expects us to give thorough study to everyone's suggestions. And that is exactly what we are doing.

Our special subcommittee was established April 22. Its members, which include in addition to myself, the distinguished and able gentlemen from Missouri (Mr. BOLLING), from Texas (Mr. YOUNG), from California (Mr. SMITH), and from Ohio (Mr. LATTA) have thus far attended seven long and arduous meetings to hammer out concrete proposals and language. Our deliberations have been aided by expert staff borrowed from the Office of the Legislative Counsel and from the Legislative Reference Service who supplement the regular staff of the Committee on Rules. In addition, we have on one occasion brought in other highly qualified staff to assist us with a particular problem, and we may do so again as the situation warrants.

Our procedure is simple. Section by section, we compare similar provisions in all the bills before us, study their intent, examine the differences in substance and language, and arrive at tentative decisions. In some areas, those decisions have come easily. For example, we have almost nothing about committee jurisdictions because most of the bills introduced this year omitted those controversial provisions adopted by the Senate. Similarly, most House bills deleted the Senate's language calling for daily summaries of testimony before committees.

Other areas, however, pose many knotty and time-consuming problems.

We have discovered, for example, that some of the provisions in title I dealing with committee procedures would be more simply and effectively implemented by directly amending the Rules of the House. We are therefore altering the structure of the bill to accomplish that purpose. We have also discovered that some of these same provisions, while easily applicable to the Senate, do not take into account all the special circumstances of the House of Representatives. Because of those circumstances, the way in which some provisions are worded would not accomplish the intended result. We are therefore revising the language wherever necessary so that the original intent will be more effectively realized. Let me interpolate here that for the most part we intend to retain for the Senate the procedures and language that body approved in the 1967 bill.

We have arrived at tentative decisions on most of the provisions thus far examined. On others we have not yet resolved all the problems they entail. Televising committee hearings is one of these. I expect and hope that the hearings we intend to hold later this year will help us explore and solve most of these problems.

We also expect to hear testimony in those hearings about some of the areas in which, some of us believe, the bills do not go far enough. The subcommittee is of the opinion, for example, that none of the bills really comes to grips with the full implications of the planning-programming-budgeting system. Nor do they deal adequately with the evolution of a rational computer policy for Congress.

Some of us question whether the presence of so-called review specialists in

each committee will appreciably improve congressional oversight capabilities. We think other approaches might be far more effective. Moreover, it may be that the bills do not provide sufficient resources to assist Congress in program analysis. And we have begun to consider the idea of changing the fiscal year to make it coincide with the calendar year so as to bring more rationality to our fiscal procedures.

Beyond this, the subcommittee has decided to deal, in a limited way, with many rules of the House not now mentioned in any of the bills before us. Our intent is to eliminate obsolete language and provisions, to clarify ambiguities where that seems practicable, and to add a few new and, in our view, useful procedures.

Mr. Speaker, we hope that all of these will be fully explored at our hearings. As of this moment, my expectation is that those hearings could begin about the middle of October. Precisely when they begin will depend upon the magnitude of the problems we meet as we continue our examination of the bills.

The subcommittee has thus far completed its preliminary consideration of title I and about half of title II. In the first title we have already agreed to tentative language concerning the circumstances under which committees may or shall meet, internal committee procedures, the filing and availability of committee reports, committee funding, and conference reports. In title II, which deals with the most vital subject of congressional fiscal control, the subcommittee has tentatively agreed to a variety of provisions aimed at giving Congress more detailed and more useful budgetary and fiscal data, as well as more assistance in analyzing that data.

If all goes well, we should finish our first run-through of the bill early in October. At that time we hope to publish a committee print embodying our recommendations which will be available to all Members for the consideration before the hearings begin.

Mr. Speaker, what we are trying to do essentially is to put together the best provisions in all of the bills submitted to us and to do so with care and judgment. To expect that everyone will agree with every word in so large and complicated an omnibus bill is to expect what never was and never will be. But I am convinced this subcommittee's recommendations will make real and realistic contributions to the modernization of Congress toward the end that this great institution may become an even more effective voice of the people.

Mr. Speaker, this is a brief summary of the work which the committee has been engaged in now during the past number of weeks. I have attempted to outline as briefly as possible our proposed schedule.

I might just add to what I have said the fact that we have projected some nine to 10 additional meetings in executive session, where we are attempting to complete our work of comparison and to pull together what we believe to be equitable language, and then prepare our committee print, which, as I indicated before, will be distributed to all Members prior to the start of the hearings.

So in projecting our thoughts ahead, and in view of the congressional recess which will occur in the latter part of August, we feel about the middle of October is the earliest possible time we could expect those hearings to start.

With that I am glad to yield to my colleague, the gentleman from California (Mr. SMITH), who, I might say, is an outstanding and excellent member, and is making a great contribution to our work on the committee.

Mr. SMITH of California. Mr. Speaker, I thank the gentleman for his statement and I thank the gentleman for yielding.

Actually, last year when we had these bills I had no idea that this problem would take as much time and would be as difficult as it has been, for one little sentence after another sometimes becomes difficult for us to decide which to proceed with.

I associate myself with the remarks of the gentleman. I appreciate his taking the time to bring this to the attention of the House.

I am certain that all other members of the subcommittee will cooperate and work in every way to bring about what the gentleman has stated in his statement today.

If we only have the time, and if our patience holds out on some of these problems, I believe we will bring out a bill for the consideration of the House, and I am sure will bring it out under an open rule, so that the House can have it worded in any way it wants.

I assure the gentlemen that I will do the very best I can, along with the other members, to work out a workable bill.

Mr. SISK. I thank my colleague from California. As I say, he is doing an excellent job. As he says, of course, sometimes it tries one's patience.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. SISK. I am glad to yield to the gentleman from Missouri.

Mr. HALL. I appreciate the gentleman's yielding.

I want to commend both the gentleman from California.

Mr. Speaker, I commend the gentleman from California not only for the excellent job he has performed as chairman of the Committee on Rules Subcommittee on Congressional Reorganization; but also for initiating this special order. I look forward to the hearings and final production. I say this as the senior Republican in the House, that served on the Joint Committee on the Organization of the Congress. This committee worked hard for more than 17 long months before presenting its final recommendations. We had stacks and reams of testimony from all who would be heard. The other body worked its will on this far-reaching legislation in the early part of the 90th Congress by a 75-to-9 vote. The bill did not fare that successfully in the House, and thus it died at the adjournment of the 90th Congress. In retrospect, as in 1946 which was the last time the Congress worked its will on updating and reorganization, it probably should have been left on the Speaker's desk, and not referred in order that we could have had a "package" bill on which to work our will. But, this is water under the bridge, and I know of all the dedicated work of

the gentleman in the well, Mr. H. ALLEN SMITH, and my colleague from Missouri, Mr. RICHARD BOLLING.

Early in January, Mr. Speaker, I introduced H.R. 2185 which is the Joint Committee on Congressional Reorganization version that passed the other body in March of 1967. It still most nearly represents the findings of the joint committee. Even though I do not agree with all the provisions of the bill, it has been my long hope and prayer that a reorganization bill be brought to the floor, so that the will of the House could be satisfied. Pride of authorship means nothing to me, as long as a bill is reported. I believe this applies to our colleague Mr. SMITH of California, and most who have researched so long and well.

Mr. Speaker, I will not take this body's valuable time to delve into the various provisions of our reorganization bill, or that of others. I believe they are well known as per the statement of the gentleman from California (Mr. SISK). However, I do wish to say that if Congress is to regain its status and power as a co-equal branch of Government, we must modernize and become efficient. Ponder the effect alone of modern electronically controlled quorum and rollcalls. Such results can be achieved through any of the several reorganization bills now pending. I feel confident that the Subcommittee of the Rules Committee will report a bill during this session of Congress, and that passage will quickly follow. We owe nothing less to the American people, whom we are privileged to represent in this Congress—still the greatest legislative body on earth and based on the most substantial and best proved principles of history.

Mr. SISK. I thank the distinguished gentleman from Missouri.

I would like to say here—and I want to emphasize this—that nothing I have said and certainly nothing that has occurred in the committee is to detract from the great work done by the joint committee. Let me say, having reviewed the hearings and having read much of the material developed there, I think that the joint committee did a great amount of work. Again I say that I admire their patience, because they did work on this for a long, long time. Nothing we are doing today or nothing we have said is intended in any way to detract from the hard work and in many cases, I think, the very excellent work that they did. Unfortunately, of course, when the bill came back to the House, as I mentioned, my good friend from Missouri recognizes that the Committee on Rules will have to take the burden on that because of the fact that that is where it landed and that is where it died, in a sense. I am sure, though, that the gentleman is aware of the fact that we, of course, tried to cooperate with all Members of the House. We ran into, let us say, a lot of static from Members all over the place. Again I say this was because of the enormity of attempting to pull together so many things. Everyone found something that he did not like particularly. However, I want to make it clear that our work is in no sense intended to suggest that we are going at this

more intelligently than the joint committee. We are attempting to start again from where you left off, to some extent, and put together a variety of ideas that developed out of that work.

Mr. HALL. Mr. Speaker, will the gentleman yield further?

Mr. SISK. I am glad to yield to the gentleman.

Mr. HALL. I certainly did not assume or mean to imply by my remarks that I felt the erstwhile action of the Committee on Rules was in any way a reflection on the joint committee or the Joint Commission which did work hard and labor long on this subject.

We did have patience, in order to assure that everyone had "due process." I want to assure the chairman of the committee that all of those hearings and all of our deliberations, prudent as they may or may not have been, are available to the subcommittee and are at their beck and call. We certainly want to commend the committee on their action. Personally I do not believe that the Committee on Rules should protest too much about bearing any brunt. We all know how it came to be referred there. Everybody on the Joint Commission who heard, I believe, over 179 Congressmen—to say nothing of the outsiders, political science students, government and other organizations—testify on this bill, had their pet fears and pet problems. We know that the pressure brought to bear on the Committee on Rules from the outside was great, especially from the lobby group, yet the greatest of all lobbyists, the executive branch goes unscathed. I hope that I have made clear another way it could have been handled by the leadership which was not to have referred it at all, but to have left it on the Speaker's desk where it could have been pulled, as it was in 1946, at any time that the leadership was ready for programming for the House to work its will after some of these other waxings and wanings and vicissitudes had been ironed out, as they were indeed and as the committee is doing now. There is nothing but commendation for the hard work that has been done of comparison, of taking the best parts of different bills under different titles that the Committee on Rules and their different members have done in getting any kind of a "package" out on the floor, so that we in this body can work our will. I hope it will not be too tightly tied down by an adverse rule, when the bill does come here.

I thank the gentleman for all he has done on this.

Mr. SISK. I thank the gentleman very much.

Mr. CLEVELAND. Mr. Speaker, will the gentleman yield?

Mr. SISK. I am glad to yield to the gentleman from New Hampshire.

Mr. CLEVELAND. I appreciate the gentleman yielding to me.

I concur generally with the sentiments expressed by the gentleman from Missouri, having served with him on the joint committee, not for the full term. I assumed a position on that committee when the gentleman from Michigan, Mr. GRIFFIN, went to the U.S. Senate. Much of what has been said here tonight reflects my own observations, having served on the joint committee. We recognize

that if you are undertaking to rewrite the bill or the bills that have been submitted, and it is going to take a good deal of time.

As the gentleman from California (Mr. SMITH) said, he hopes everyone will be patient. Patience is sometimes a virtue, but it can wear thin.

I am pleased to hear of your timetable. I would like to address a few questions to that.

It is my understanding that sometime during the August recess or shortly after the recess you are going to have something in the nature of a committee print which will then be the subject matter of the hearings which you plan to schedule in October of this year.

Did I understand the gentleman correctly on that point?

Mr. SISK. That is correct. As soon as we have completed this comparison of the various proposals, and as I am sure the gentleman is well aware, we have prepared special sheets comparing all of the similar bills and the provisions thereof—as soon as that work has been completed it will be published in a committee print and made available to all the Members. At this point in time, the best we can calculate it is that it will be about the 15th of October.

Mr. CLEVELAND. Mr. Speaker, if the gentleman will yield further, I hope you will devise a method of approach whereby you do not plow the same ground that was plowed by the joint committee. We had hearings on top of hearings that lasted for almost 2 years and innumerable Members of Congress and other people interested in this general area appeared and testified.

I think it would be unfortunate if all those witnesses came back and retestified, that would back you up into a position which would delay bringing the bill to the floor to perhaps January or February or later. You might find yourself confronted with hearings that go on and on. You would be right back where we were last year.

Mr. SISK. I appreciate the gentleman's comment on that problem. We certainly do not wish to plow the same ground which the joint committee plowed. We may be optimistic, but we believe we will be able to confine these hearings. Frankly, what we are hoping for is no more than 4 or 5 weeks of hearings at the moment. We propose to do that by using a rifle instead of a shotgun to a certain extent in order to pinpoint specific areas. However, there are specific areas in which we may find ourselves in the position of making no hard and fast decision. I have reference to the opening of the committees to radio and television broadcasting and even the question of opening the Chamber of the House to possible television under a certain set of circumstances.

There are a variety of problems that we expect to outline and specify in those areas and we have been gathering a great deal of material upon which we have worked. For example, in title I we would not expect to hold hearings on the provisions of that title because we expect to bring this bill to the floor of the House with an open rule and give the Members an opportunity to work their will.

Once we put out the committee print, I do not feel we can deny any Member of Congress a right to come in and testify. But I would hope—and I shall appreciate any comment from my good friend, the gentleman from California (Mr. SMITH), on this—that we will be able to hold these hearings to certainly 4 or 5 weeks, or 6 weeks at the most. I say this because we do not feel we can go through the long, drawnout hearings that the joint committee did. In other words, we shall try to use a rifle in pinpointing certain areas and hold hearings on those areas and then button it up and bring it to the floor of the House.

Mr. CLEVELAND. Mr. Speaker, if the gentleman will yield further, I certainly hope you will be successful in that approach. I say this because I am sure the gentleman can see the trap into which you might get if you do open it up. I think most Members consider themselves expert at least in a part of the general area of congressional reform.

We, at one time in the joint committee, actually designated by title or by some other description more than 150 proposals that had been made by various Members and various members of faculties that are interested in Government as well as political scientists. If you undertook to have general hearings on the whole subject of congressional reform, unless you devise some method of limiting the appearances and confine witnesses to either written statements or very sharply delineated statements, you will find your hearings will consume more time than you think. Just as you have said and as the gentleman from California (Mr. SMITH) has said, it takes time and patience to draft this type of legislation. It is painstaking work.

Mr. SISK. I appreciate that.

If I could just make one comment there: Generally it has been our opinion—and I appreciate that the gentleman from California (Mr. SMITH) is on his feet now, and can comment on this—but we will attempt to actually contain these hearings primarily to Members of the Congress. You folks heard testimony from representatives in the universities, and in the field of education, and from a variety of other fields, people who had made special studies, and so on, and certainly it is not the intention, as I understand it, to go back over that record. Primarily we want to limit it very tightly to people in the Congress, and of course we want to be fair and democratic about it also, but we want to limit it basically to the Congress.

There is one subject on lobbying, and that is one on which we might hear from outside witnesses. But generally I think the idea is to hold the hearings primarily for the benefit of the Members.

Mr. SMITH of California. Mr. Speaker, if the gentleman will yield at that point, I want to say that in all honesty if I thought I had to look forward to the extensive hearings such as have been mentioned, with this very fine committee, that I would resign from the committee effective immediately.

We have taken these bills, S. 355, my bill and other bills, and we have gone through these things so that, insofar as title I is concerned, I believe that we are probably ready to submit a summary

now of our language for all of these questions with two exceptions. One is television. We have gone around and around on that subject. I have been on one side, and then I have been on the other side, and now I am in the middle. As to what to do about television, I am sure that we will have hearings on that. And then on specialists, we have gone back and forth, and we have not come to a conclusion. I think we should have hearings on that.

Also title II, I think, in the first paragraph where we have not decided on the program planning budget system, the computer, and so on, and thus we are going to have to have some discussions on that, and hearings.

But we are not going to go over, at least, so far as I am concerned, the work that you gentlemen did. We have had the opportunity of reviewing your report, and we have analyzed it and have gone through the testimony on every single section, and we do this as we go through it, and I can assure the gentleman that we will continue to do so.

Mr. SISK. Mr. Speaker, I join my colleague from California (Mr. SMITH), 100 percent on his statement.

As the gentleman knows all of us have other committee work, and work to do, as well as constituents to represent, and hopefully we are representing them.

But we will at least try to be fair and democratic, and at the same time attempt to limit the hearings.

Mr. CLEVELAND. Mr. Speaker, if the gentleman will yield further, I wonder if it might not be wise if you have in fact just about completed title I, not to wait until you have completed all the titles. You could submit that print now to the Members.

I wonder if it might not be helpful to the Members, as well as yourselves, if you could complete title I, or a title at a time. If title I is almost ready to go, then possibly you might let that go now and let us have a peek at it.

Mr. SISK. Let me say this to the gentleman: My mind is completely open, and I would say that I will take that thought back to the committee, and we will certainly discuss it. I think the gentleman might have the germ of a good idea.

However, the gentleman must remember that I am only one of five members on the committee.

Mr. CLEVELAND. We understand that. But my interest in this matter, as a member of the joint committee—or a former member of the joint committee—and as the gentleman knows there are task forces on both sides of the aisle that are deeply interested in this, and want to be helpful. I think if you could let us take a look at what you have done as you go along that we might be helpful to you. Frankly this is what some of us want to do. I feel like the gentleman from Missouri, I am not annoyed that you have found the Joint Reorganization Act of 1967 wanting. As a matter of fact, we admitted that was only the first step, and that it was lacking in many respects, and we are delighted that you people have examined it and are taking another look at it. These things can always be improved by the full use of the expertise that exists on both sides of the aisle and

by those who are particularly interested in this area.

So the quicker you let us look at what you have accomplished, I think the better off we all will be.

Mr. SISK. I will take that thought back and discuss it with the committee.

Mr. REES. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman.

Mr. REES. Mr. Speaker, I commend my colleague, the gentleman from California, for the work he is doing.

I have discussed this bill with the gentleman during the past few weeks. I think perhaps the subcommittee might well go beyond the scope of the bill which was introduced by both sides several months ago.

I would like to make one request. One of the difficulties in dealing with congressional reform is that you find you are amending various titles of the Federal code and you are also amending the rules of the House.

I was wondering if it might be possible when you do come up for your committee print, if you could use the Ramseyer rule whereby you would separate, for example, that part of the title which can be taken care of by simple amendments to the rules of the House from that part of the title which needs statutory enactment. In doing this, if the complete section that is being amended could be printed so that we could find out exactly what the change of the language is.

I think it is a very difficult point as one of the authors of the reform bill in trying to find exactly what was in the present law and what was in the bill we are dealing with. I found several instances where I think there was just pure repetition. I think you find this going through title I.

I know that this would be a great deal of help to us in trying to put this overall problem into context because we do think, even though it is a fine bill, that both sides have put in, it is a very confusing bill in certain instances because of this.

Mr. SISK. Let me say, I am sure the committee is aware of the problems, and is trying to clarify that, and certainly make obvious what we are trying to do.

I think with reference to the use of the Ramseyer rule and the use of language so that it is easily understandable, that is exactly what we are seeking to do.

We do have some very able and some very capable people working with us. We have an able staff, of course, and the gentleman from Mississippi (Mr. COLMER) of the Committee on Rules has been kind enough to lend us pretty well the staff of the Committee on Rules and they have been doing a great job. Then we have from the legislative counsel as well as the legislative reference service some very good people. We are doing our best to try to clarify these provisions. I am sure they will do a good rewrite on it.

Mr. REES. Mr. Speaker, if the gentleman will yield further, I wonder, would you say there might be a possibility if we are in session in December, a bill might conceivably come to the floor of the House? Or if it did not, then might it

well be our first order of business when we come back in January?

Mr. SISK. I would say to the best of my knowledge what the gentleman has brought up on that subject and his predictions could come true because none of us have any idea how long we are going to be around here. I think we are only projecting our thinking on the basis of what we might expect. We may even have to be here after Thanksgiving. But I do not wish to project into the future. It may be that we will be here until Christmastime. If that be true, of course, this would make it subject to change. We might have a bill here in December, if the House is still in session and we might have time to debate it in December rather than, let us say, January or February. That is entirely possible because we are simply trying to project to you information we feel you are interested in on this projected schedule, and it is purely again subject to change.

Mr. REES. Then the gentleman's thinking was that there would be an open rule on the bill when it came out? Then would it be one bill or would it be a package of separate bills, each dealing with a separate title? Or, also say, a House resolution dealing only with the rules of the House?

Mr. SISK. That matter is under discussion at the present time.

I will be glad to yield to my good friend, the gentleman from California (Mr. SMITH), if the gentleman wants to make any comment on that and if at any time the gentleman from California wants to join in this discussion, I hope he will.

My understanding is that we are considering that. We have to bring this bill or bills to the floor in, let us say, the most clear way and the most understandable way so that Members know exactly what they are doing.

So far as a hard decision goes, it is not my understanding that the committee has made such a hard decision as yet.

Does my colleague, the gentleman from California (Mr. SMITH), want to comment further on that?

Mr. SMITH of California. I think the gentleman's answer which he gave to our colleague, the gentleman from California, is just a little bit premature.

Tentatively, I think we hope to bring one bill to the floor which contains the whole section under an open rule so that we may have gone that far through title I, part 1, and halfway through part 2, until the rest of them are finished. To answer this question, you had better have another few weeks I think.

Mr. REES. I should like to ask one last question and that is in respect to title II. There is some confusion because we go from a 1-year budget into a semiprogramming budget of 5 years. We have discussed, at times informally, the possibility of creating a legislative budget bureau or a congressional budget bureau that could act as our overseer on the budget, such as we have in the State of California, so that all Members could have a specific report, let us say, several months after the President's budget comes out, so that we would have our own viewpoint to look at. Right now the only thing we have available is the

budget from the executive branch. Is the committee discussing this possibility of a legislative budget bureau?

Mr. SISK. The committee is very deeply involved right now in this very specific subject. I see my good friend from California smiling. We are, in fact, involved in that question. If I am not mistaken, we spent all the time at our last meeting practically bogged down on a variety of approaches on this very subject.

On this business of the budget, I point out that we have with us this evening, and I appreciate his being present, our distinguished chairman of the Committee on Rules. Many years ago, before many of us were in the House, he was interested in a different approach to the legislative budget. He coauthored, along with the distinguished Senator from Arkansas, I believe, some proposals for a Joint Committee on the Budget. We are digging into those right now. We have not made a firm decision, but this is a very vital and important area if we are going to be in a position to make the information available to Members and we will have to work to make it as knowledgeable as possible.

Mr. REES. I thank the gentleman from California and commend the Rules Committee for the work they are doing. I join my colleagues on the other side. Those of us not on the Rules Committee have been willing and able to offer any expertise we may have acquired in the last 2 or 3 years in working at congressional reform.

Mr. SISK. Let me thank the gentleman. He has made a great contribution, he and those who joined with him, on one of the bills we are now considering.

Mr. CONABLE. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from New York.

Mr. CONABLE. I have only a brief comment to make. I think we are all grateful for this special order and the work that the Rules Committee is doing. However, unlike the gentleman from New Hampshire, I would say I consider not patience, but impatience, a virtue on this particular subject, because it is a subject that has dragged on for a long time. I realize the Rules Committee has been particularly active lately, and I do not wish to carp about what should have happened last year or the year before. I think there is very good reason for haste at this point, since we are already more than halfway through the first session of the 91st Congress.

I notice that this particular subject tends to get bogged down in politics, particularly when a congressional election is imminent. It seems to me this is an important enough subject so we ought to try to decide it at a time when a congressional election is not imminent, and try to keep this from becoming the political issue it inevitably becomes if nothing has been done.

I am well aware it has been said frequently there is no constituency for congressional reorganization. We thought there was not a very great constituency for tax reform either, and yet the time came when the pressure built up in this country to the point where the Ways and Means Committee had to move with

some alacrity and under great pressure to bring out a tax reform bill. That bill is coming to the House under a closed rule and, therefore, required much greater care than might be necessary for a measure, like congressional reorganization, coming to the floor of the House under an open rule.

I trust that every effort will be made to face up to the issue of congressional reorganization this year, if possible, and I am particularly pleased to have heard the remarks of the gentleman from California (Mr. SMITH) about his views of how extensive the hearings would have to be. There is an impatient constituency here in the House for congressional reorganization, and there is ample evidence of this on the record. Nobody enjoys impatience: it exacerbates our dispositions and makes it difficult to be objective and constructive. We would like to have something to sink our teeth into. I have great confidence the Rules Committee is serious in its intentions, but many younger Congressmen are impatient. I do not think that impatience is necessarily a bad thing under the circumstances.

Mr. SISK. Mr. Speaker, I appreciate the statement of my colleague. Let me again assure him this is not a job any of us particularly relished in the beginning. There is a great deal of sincerity on the part of the Rules Committee to try to do a job. We are trying to do our very best. I can understand our colleague being concerned.

Since our committee was set up, I think we have missed only three or four meetings and these were because of impossible situations. We would like to get through with it. I would like to finish it next week. Yet, we recognize if we are going to have to come to the floor and defend what we have done and be knowledgeable enough to talk about it on the floor and give reasons for our action, it just requires some time. I would hope we could finish it this year.

Mr. McCLOREY. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Illinois.

Mr. McCLOREY. Mr. Speaker, I commend the gentleman from California and the members of his subcommittee on their initiative and diligence in reviewing this whole subject of congressional reorganization. I am very encouraged by the report which we have received here this evening.

As I understand it from the statement of the gentleman, the congressional reorganization bill passed by the other body is being used as a sort of pattern, and the main parts of that bill are being considered actively by the members of the subcommittee. Am I correct?

Mr. SISK. The gentleman is correct. Wherever possible we are using identical language in particular sections of that bill, and particularly in those portions contained in that bill concerning the other body, because again, as we get into the actions passed on by the other body, we are going to leave up to them such additions as they are willing to add, but we are dealing exclusively with the problems in the House of Representatives, and leaving up to them, once we get a bill over to them, the job of adding to it

like arrangements that will fit their own problems, because as much as some of us might like to do something about particular rules in the other body—which I will not mention—we are going to leave that up to them.

Mr. McCLODY. I understand that, and that might apply also to such things as televising House sessions and House committee meetings, a subject in which I have been very interested, as well as the subject of a greatly expanded automated data processing capability (ADP) for the Congress.

To encourage diligence in the productive work of the subcommittee, I might point out that there are other measures pending with respect to the subject of the use of additional ADP support for the Congress, which it seems to me can be completely answered only through the adoption of the reorganization bill. In other words, there is a measure pending at the present time, I think before the Rules Committee, emanating from the Committee on Government Operations dealing with automatic data processing and another bill is pending before the Committee on House Administration. It seems to me then that this subject when recommended by the special subcommittee and acted upon by the House will resolve this issue, which is one we have to resolve promptly in order to improve our own capacity to perform our legislative work.

I am grateful, Mr. Speaker, for the special order the gentleman is taking and for the encouraging report he and other members of the subcommittee have contributed here.

Mr. SISK. Mr. Speaker, I thank my colleague, the gentleman from Illinois.

Mr. COUGHLIN. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Speaker, I, too, express pleasure at the action being taken by the subcommittee and for this special order.

Certainly we are living in a time when people are questioning the credibility of their institutions and their ability to change themselves. I think recently we have shown, under the leadership of the chairman of the Ways and Means Committee, that Congress itself can take the reins and bring forth a tax reform bill. I certainly hope we can do the same with the congressional reform bill, based on the joint study and effort that is being done.

Under pressure we have shown we can act and bring forth a bill.

I would like specifically to ask if this bill will also deal with the action in the Chamber itself, and electronic voting specifically, and whether or not the committee is dealing with that.

At the present time, of course, as the gentleman knows, there is another committee of the House—in this case the Committee on House Administration—which is dealing specifically with the problem of some type of electronic voting, some type of automatic voting, some type of fast read-out to avoid the mistakes in rollcalls and a variety of things.

To the extent that would involve a

change in arrangements in a change in procedures and would require an amendment to our rules, or require, let us say, the creation of an oversight committee for something of this kind, then to that extent the Committee on Rules will take that under consideration. At the present time they are doing the basic research. It is my understanding we are interested enough in what they are doing to try to keep up with it. They are making progress. They are viewing a number of programs. They are approaching the problem in a number of different ways. I would hope something could be done. This is an area which desperately needs renovation.

Perhaps someone who is on the staff of the Committee on Rules could work with that committee, so that the recommendations could be tied together, again to move as promptly as possible.

Mr. SISK. I appreciate the gentleman's comment. I agree this is an area we certainly hope we can improve. We want to come up with some answers on this quickly.

Mr. CLEVELAND. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from New Hampshire.

Mr. CLEVELAND. I appreciate the gentleman's yielding a second time.

There is one aspect of timing in regard to this problem which I believe should be explored a little bit during this special order.

The gentleman from New York (Mr. CONABLE) referred to the fact that there are some Members, and particularly the younger Members of the body, who are impatient about this matter. We also have our public image to be concerned about. There is a clear need for us to reform our procedures, and to do so with reasonable dispatch.

On the timing, I believe the time schedule the gentleman has suggested is certainly reasonable enough. I wonder if he has taken into account the fact that after the Senate passed the Legislative Reorganization Act, after 3 weeks of debate, in March of 1967, then it came over here and it was assigned to the Committee on Rules, and there it sat for about a year and a half, and it died there.

Has the gentleman given any thought to what is going to happen if this bill passes the House and goes to the Senate? They need sit on it for less than a year under the time schedule mentioned. Has there been any liaison with the Senate to see if they will forgive us for our trespasses, if they were indeed trespasses, and not repeat the dire deed which was done to their bill?

Has the gentleman given any thought to that? Are negotiations underway with that august body?

Mr. SISK. I would not say we have ignored it. I will have to admit that as far as any direct liaison with the other body on this matter is concerned we are not maintaining any particular liaison on it.

I recognize this as a problem. I recognize it as a hurdle. I recognize that they may say, "Well, we sent you a bill a year or two ago and you let it die."

Of course, if they want to react that

way I am not sure there is anything we could do about that.

Frankly, I recognize the problem the gentleman is talking about. As I said earlier, if we could move this faster and if we could get this bill through this fall the gentleman from California would be most happy to be relieved of what frankly is quite an obligation and responsibility at the present time. I am sure my colleague from California agrees with me.

Again, we are trying to do a good job. Perhaps we are being too finicky about what we come out with. We have tried to project a reasonable schedule.

Frankly, I would think we would be overly optimistic and giving an unfair picture, at least at the present time, if we told the Members it would get to them sooner. I do recognize some problems.

The very discussion we have had today has raised points in my own mind we might want to consider further. It may be appropriate before too long we might want to make contact with the other body and to discuss some possibilities.

Mr. MACGREGOR. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Minnesota.

Mr. MACGREGOR. I am delighted the distinguished gentleman from California has taken this time to apprise us of the work of the special subcommittee of the Committee on Rules of the House. I would add my voice to those raised earlier in this special order taken by the gentleman from California, to surely urge his subcommittee to proceed with all deliberate speed on this matter.

I am sure the gentleman will. He can be assured of the support of a great many Members of this body, both Republicans and Democrats, for his efforts up to the point where a bill is brought out and surely for enthusiastic support for any comprehensive measure coming from his committee when it is brought to this House for debate. I trust that the gentleman will proceed knowing that he has the very strong and enthusiastic backing of a large number of people in a bipartisan sense who are interested very deeply in this question of congressional reorganization and reform.

Mr. SISK. Thank you. I very much appreciate the comments of the gentleman from Minnesota. I might add there that we are certainly considering this on a bipartisan basis. I might say—and I believe my good friend from California (Mr. SMITH) will agree with this—that there are no partisan politics entering into our discussions. We are not just accepting something by unanimous agreement but are working it out. I am hopeful, and I personally feel that we will bring a bill out in which there is no partisan politics entering into it, as far as our subcommittee is concerned.

I will be glad to yield to my good friend from California (Mr. SMITH) if he wishes to make any further comment along that line.

If there is nothing else, Mr. Speaker, and no questions by anyone, I will yield back the balance of my time.

Mr. SCHWENGEL. Mr. Speaker, I would like to take this opportunity to express my sincere thanks to the gentleman from California (Mr. SISK) on

the outstanding work he is doing on behalf of congressional reform. This is an area in which I have had a deep and abiding interest since I first came to the Congress to represent the First District of Iowa. The concept of congressional reform has in the past had considerable verbal support, but no concrete efforts were to be seen. In this respect, the gentleman's report today, is very encouraging, and, I commend him.

It was somewhat disappointing to learn that the committee does not plan to bring out their bill until early in the next session. I would hope the gentleman will give serious consideration to the suggestion of the gentleman from New Hampshire (Mr. CLEVELAND), that we deal with reform title by title in order to speed up action on this problem. The world in which we live moves too fast, and its problems are too complex for the rickety congressional machinery which we now have.

Mr. STEIGER of Wisconsin. Mr. Speaker, I want to commend the distinguished gentleman from California (Mr. SISK) and the members of the special subcommittee of the Committee on Rules for their report to the House on congressional reform.

The gentleman from California has given the House a clean picture of the intensive work underway in the subcommittee. The commitment expressed during the discussion to bring a bill to the Committee on Rules which contains substantive reforming and to further urge the Committee on Rules to bring a bill to the floor under an open rule is one I applaud.

The 91st Congress should not adjourn without action by the House on the matter of congressional reform. The past 4 years have seen much time, money, and energy expended on behalf of legislation to bring about much needed meaningful reform. I am encouraged by the sincere and dedicated efforts of the subcommittee, and I look forward to reviewing the recommendations as presented, to the hearings, and to House action early next session.

The need for reform remains a priority subject as far as I am concerned, and I await the opportunity to work with the many members who have labored so hard on this whole matter.

I appreciate the report of the gentleman from California (Mr. SISK) and his expressed desire to make a realistic contribution to modernizing the Congress so that it can serve more effectively as the representative of the people of this country.

Mr. BUSH. Mr. Speaker, I want to commend my colleague, the gentleman from California, the Honorable B. F. SISK, for taking the time today to explain to us the progress of the legislative reorganization bills in the Rules Committee. I am pleased by his indications as to what the final legislation will look like and hope that the timetable will be kept.

Mr. RIEGLE. Mr. Speaker, I want to thank my colleague, the gentleman from California, for his frank progress report on the legislative reorganization bill now being considered by the House Rules

Subcommittee on Reorganization. I appreciate that committee's public commitment to report out a bill which, as a minimum, will be no weaker than either the bill passed in the Senate during the 90th Congress or the almost identical bill now awaiting Senate floor action. I am also pleased to learn that we have been promised an open rule for consideration of this bill on the House floor.

As one of the original cosponsors of the Legislative Reorganization Act in the 90th Congress, I am encouraged by all these revelations of positive committee work on this urgently needed piece of legislation. No longer can we afford to be called an "obsolete, inefficient, rubberstamp Congress." Before we can effectively upgrade, change, and streamline the Federal programs we create, we first need to modernize the system which enables us to make these decisions.

We raise our voices in anger over excessive, wasteful, Government spending—yet we do not have adequate staff personnel or information resources to maintain a fiscal check on the executive branch. We talk about honesty, openness, and information disclosure—yet we continue to have closed committee sessions and unrecorded crucial votes. Each member has to make critical, daily decisions on legislation that will affect millions of Americans—yet we have not modernized our data systems to provide us with current, analytical information.

Mr. Speaker, I maintain that now is the time to act on legislative reorganization.

The gentleman from California (Mr. SISK) has stated that he expects his committee to report this bill early in the next session. If that is the earliest possible date, I would ask that the committee consider reporting this bill by title so that we can put into law these various changes as soon as possible.

I want to again thank my colleague for talking with us on the floor today, and urge his committee to meet, or beat, the timetable they have put before us today.

GENERAL LEAVE TO EXTEND

Mr. SISK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

FREEZE ON BOLLING-ANACOSTIA LAND HALTS DISTRICT OF COLUMBIA HOUSING PLAN

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 20 minutes.

Mr. REUSS. Mr. Speaker, I have just received a letter signed by Mayor-Commissioner Walter Washington and District of Columbia Council Chairman Gilbert Hahn, Jr., expressing their support for an amendment I intend to offer to the military construction authorization bill when it comes to the floor tomorrow. My amendment would delete an amendment added by the Armed Services Committee

which would prohibit the Secretary of Defense from declaring any part of the land in the Bolling-Anacostia military complex excess to military needs before December 31, 1975. Present law prohibits such a declaration before December 31, 1970, and my amendment would allow the prohibition to expire at that time.

In their letter, Mayor Washington and Chairman Hahn emphasize that—

Were it possible to make use of the 416-acre Bolling Field-Anacostia complex in accordance with the excellent plan that has been developed by the National Capital Planning Commission, the dwellings which could be made available for an estimated 20,000 people would go far to relieve the very great pressure in the District for better housing.

The Department of Defense has tentative plans for use of the land at Bolling-Anacostia. These plans are discussed at pages 1264 to 1266 of the military construction authorization hearings in the course of testimony on June 19, 1969, by Assistant Secretary of Defense for Installations and Logistics Barry J. Shillito and Deputy Assistant Secretary Edward J. Sheridan.

I include the letter of Mayor Washington and Chairman Hahn in the RECORD at this point, along with the discussion of Bolling-Anacostia which appears in the military construction hearings:

GOVERNMENT OF THE DISTRICT OF COLUMBIA,

Washington, D.C., August 4, 1969.

The Honorable HENRY S. REUSS,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. REUSS: We in the District Government welcome the effort to have deleted from the Military Construction Authorization Bill for Fiscal Year 1970 the provision which would extend until December 31, 1975 the requirement of present law that the Bolling Field-Anacostia complex be retained in the military inventory.

As you so fully appreciate, the District of Columbia urgently needs space for housing its people, all too many of whom are forced to give in substandard dwellings because nothing better can be made available to them. Were it possible to make use of the 416-acre Bolling Field-Anacostia complex in accordance with the excellent plan that has been developed by the National Capital Planning Commission, the dwellings which could be made available for an estimated 20,000 people would go far to relieve the very great pressure in the District for better housing. And the use of the area for such a purpose would have another beneficial effect. As part of the "new town" envisaged by the plan, stores and shops would be provided to meet the needs of the inhabitants, and this in turn would provide additional employment and revenue. In short, the removal of the present limitation on the use of the Bolling Field-Anacostia complex would operate to change it from a relatively sterile, unproductive area to one which provides better housing for thousands of District residents, more employment, more schools, more recreational facilities, and, as a welcome incident, more revenue, both by reason of the land's being restored to the tax rolls, and by reason of the sales and income taxes which would result from the operation of the stores and shops.

We in the District Government see, and have always seen, a great many advantages to the District and its people were it possible to make use of the Bolling Field-Anacostia complex in accordance with the NCPC plan. We can only express the heartfelt hope, therefore, that you will be successful in your effort to amend the military Authorization Construction Bill so as to delete therefrom

a provision which has the effect of preventing the use of this property in a way that would be of immense benefit to the citizens of the District of Columbia.

Sincerely yours,

WALTER E. WASHINGTON,
Commissioner.

GILBERT HAHN, Jr.,
Chairman, District of Columbia Council.

Mr. HALL. Mr. Chairman, I know that you will get to the question on page 14 where they are talking about involuntary loss by encroachment of the question of the Anacostia-Bolling Air Field complex and its use of general aviation, instead of some other purposes, that they put a lot of fill dirt in there for, and obstruct what runways we had out there, especially in view of the encroachment coming from the air as well as by land and by sea.

The CHAIRMAN. Why don't we talk about that now? What kind of plans have you got over there?

Secretary SHILLITO. We have several plans afoot, Mr. Chairman, on this. We are attempting to synchronize now the Navy planning and the Air Force planning that went on.

We are bringing these things together into a total Defense plan. We have had some constraints placed on us recently by the Bureau of the Budget. Do you want to elaborate on this, Mr. Sheridan?

Mr. SHERIDAN. Yes, sir. As the chairman knows, there are 920 acres there in the Bolling-Anacostia site, and we originally proposed to access 420 acres.

The CHAIRMAN. You can get that out of your system.

Mr. SHERIDAN. The committee took care of that.

The CHAIRMAN. Go ahead.

Mr. SHERIDAN. Now we have looked into the situation at Bolling and Anacostia since, and we have come to the conclusion that the planning on keeping the Air Force on the old Bolling tract is too tight and inefficient and they need additional land.

We are investigating with the Navy, what the Navy use of the Anacostia portion would be, other than the Presidential helicopters. The permanent building that is over there is the Navy photographic building.

The CHAIRMAN. Haven't you decided to use some of Anacostia for general aviation?

Mr. SHERIDAN. No, sir; that decision hasn't been made yet.

Secretary SHILLITO. It is being looked at very seriously, though. It is proposed on a temporary basis.

The CHAIRMAN. That was our agreement, that it would be looked at on a temporary basis.

Secretary SHILLITO. Yes, sir.

Mr. SHERIDAN. The FAA has to take the first step on that.

Secretary SHILLITO. This discussion has been going on with the FAA.

Mr. HALL. It is a matter of record, Mr. Chairman, at one time, since I brought this subject up the FAA was in agreement with transferring general aviation over there, and removing 27 percent of the traffic at the National Airport. Somebody at a higher level than the FAA or the DOD put the kibosh on it because they had other plans out there.

Mr. SHERIDAN. That is correct.

Mr. HALL. We might as well get this out and talk about it here.

The CHAIRMAN. When was all this done?

Mr. SHERIDAN. That was done by the Bureau of the Budget.

The CHAIRMAN. When?

Mr. SHERIDAN. Three years ago.

The CHAIRMAN. I am talking about this Bureau of the Budget.

Mr. SHERIDAN. This is what we are conducting in the study right now.

The CHAIRMAN. What has this Bureau of the Budget done? Have they dipped into it again?

Mr. SHERIDAN. No. We notified the Bureau that present planning has reached the stage in connection with the use of Bolling and Anacostia where we feel that we need more than what has previously been decided by the previous Bureau, and this Bureau is looking into it too. There have been no commitments made.

The CHAIRMAN. The committee is not going to interpose any objection to your using these two complexes for the military.

Mr. SHERIDAN. We understand that completely, sir.

The CHAIRMAN. But we are not going to have it for any social concoctions of some idiots around Washington here who want to take this property from the military.

Mr. SHERIDAN. We know the position of the committee very clearly.

The CHAIRMAN. They want to try out these experiments. But this land is valuable.

Mr. SHERIDAN. Yes; it is very valuable.

The CHAIRMAN. It is owned by the military, so let's use it, Mr. Secretary.

Secretary SHILLITO. We agree with you, Mr. Chairman.

The CHAIRMAN. Dr. Hall is trying to get over to you, the committee has asked you all to get up a master plan.

Mr. SHERIDAN. We are working on that.

The CHAIRMAN. Get that plan to us, and see if we can't help you.

Mr. SHERIDAN. Yes.

The CHAIRMAN. You take this project that General Carroll wanted. Why can't we put something along the line of DIA over there?

Mr. SHERIDAN. The DIA building is a high-rise building and the north end of the Bolling-Anacostia site is poorly adaptable to a building of this kind, because of the soil condition. That DIA building now is going up to \$28 million, and if placed over at the north end of Anacostia might go up \$8 or \$10 million more. It is a cost problem.

The CHAIRMAN. You can't build a two-story house without putting pilings under it in some parts of the city.

Mr. SHERIDAN. Yes, sir; that is right.

The CHAIRMAN. You put pilings under all big buildings when you get down close to the water.

Mr. SHERIDAN. That is right.

LEGISLATION TO REQUIRE A HEALTH WARNING ON ALL ADVERTISING FOR GASOLINE CONTAINING LEAD

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York (Mr. FARBERSTEIN) is recognized for 20 minutes.

Mr. FARBERSTEIN. Mr. Speaker, I have today introduced H.R. 13281, legislation to require a health warning on all advertising for gasoline containing lead.

The amount of lead in the air over New York City has almost tripled in the 45 years since tetraethyl lead was introduced as a motor fuel additive. Similar trends have been noted in other cities and in increasing atmospheric lead contamination even in such remote locations as Greenland and Antarctica.

Lead has so contaminated the oceans, surface waters, air, and food that man today bears a body burden of lead far above the natural level of intake. The average lead concentration in the bodies of Americans today is many times the level found even a few years ago.

There is absolutely no doubt that automobiles in general and the lead gas-using internal combustion engine in particular is the No. 1 villain. According to the Public Health Service, the automobile is the single largest contributor

to the lead in our atmosphere. Forty-five percent of all lead in gasoline by weight ends up in the atmosphere.

The Air Pollution Control Administration forecasts the continued upward surge in the lead content of our air at an annual rate of approximately 4½ percent. In terms of the next 4 years, this means 38 million more pounds of lead pollution.

Lead pollution level from automobiles, 1968-72, Air Pollution Control Administration—Total emissions nationwide

[In millions of pounds per year]	
1968	199
1969	208
1970	217
1971	227
1972	237

The effects of lead poisoning have been well known for many years. Lead poisoning can attack the central nervous system, peripheral nerves, smooth muscles, and reproductive organs, as well as cause blood disorders, coronary and chronic kidney disease, and lung damage. This is amply demonstrated by the fact that Tetraethyl Lead Corp., major producer of lead in the United States, has almost been forced to go out of business several times as a result of successful lawsuits by former employees whose health was permanently impaired through exposure to lead. Yet the danger from lead for a majority of the population comes not from individual contacts, but from cumulative exposures to lead; for lead particles build up in the body.

Despite this, there are currently no State or Federal air quality standards for lead in the United States although the Air Pollution Control Administration last week ordered oil companies to provide it with data on additives in fuel. The Soviet Union is already regulating the lead content of gasoline, and the panel on electrically powered vehicles recommended in 1967 that standards for the lead content in gasoline be immediately established. A scientific task force on environmental problems in Sweden has recommended the total banning of lead additives from gasoline.

I cannot stand by and watch the long-term harmful effects of lead pollution remain masked only to be detected too late to prevent serious damage. We may already be perilously close to the threshold of lead toxicity as a result of environmental exposure.

The legislation I am today introducing would require all advertising for gasoline containing lead to contain the warning:

This gasoline contains lead. Lead fumes are poisonous. Prolonged exposure can be fatal.

The bill would also require the prominent posting of the same health warning near gasoline pumps in service stations.

This proposal is the second in a three-bill package relating to the effect of automobiles and air pollution. On Thursday I introduced legislation that would ban the manufacture or sale of automobiles powered by internal combustion engines after January 1, 1978. The final bill, which I intend to introduce on Tuesday, will call for a tax incentive to oil com-

panies which eliminate lead from gasoline.

The text of the bill follows:

H.R. 13281

A bill to require advertising for gasoline that contains lead to contain a statement that the gasoline contains lead and that inhaling its fumes can be fatal and to require that such statement be prominently displayed where such gasoline is sold

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it shall be an unfair or deceptive act or practice within the meaning of section 5 of the Federal Trade Commission Act to fail to display, clearly and prominently, (1) in all advertising of gasoline that contains lead, and (2) at all places where such gasoline is sold the following statement: "This gasoline contains lead. Lead fumes are poisonous. Prolonged exposure can be fatal." The statement required to be displayed prominently at the places where such gasoline is sold shall be composed of letters four inches high and one-half inch thick.

SEC. 2. (a) This Act shall be enforced by the Federal Trade Commission under rules, regulations, and procedures provided for pursuant to the Federal Trade Commission Act.

(b) The Federal Trade Commission is authorized and directed to prevent any person from violating the provisions of this Act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this Act; and any person violating the provisions of this Act shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act as though the applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this Act.

SEC. 3. The first section of this Act shall take effect ninety days after the date of the enactment of this Act.

SEA-LEVEL PANAMA CANAL: POTENTIAL BIOLOGICAL CATASTROPHE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania (Mr. Flood) is recognized for 15 minutes.

Mr. FLOOD. Mr. Speaker, in the course of a prolonged study of the interoceanic canal problem, one soon becomes accustomed to new aspects. The latest one concerns the danger of a large scale extinction of marine life as a result of providing a salt water channel between the Atlantic and Pacific Oceans in the proposed, so-called, Panama Sea Level Canal Project.

In an illuminating article in the January 1969, issue of BioScience, the official publication of the American Institute of Biological Science of 3900 Wisconsin Avenue NW., Washington, D.C. 20016, Dr. John C. Briggs, distinguished professor and chairman of the department of zoology, University of South Florida, describes the dangers of the proposed sea level construction project at Panama.

Dr. Briggs concludes that 6,000 species of the western Atlantic would migrate westward into the eastern Pacific, and that 4,000 species of the eastern Pacific would navigate into the western Atlantic.

Predicting a biological catastrophe that is bound to have international repercussions, he asks why should a sea level canal be undertaken at all, and calls for retention of a fresh water barrier between the Atlantic and Pacific Oceans. Such barrier, Mr. Speaker, would be retained in the construction contemplated in the current bills in the House and Senate for the modernization of the Panama Canal (S. 2228, H.R. 3792, and H.R. 4031). It would not be retained in any sea level project.

In the April 1969 issue of BioScience were published a reply by Col. John P. Sheffy to the Briggs' article and the counter reply by Dr. Briggs, in which the latter calls upon the biologists of the Nation who wish to support the fresh water barrier concept to make known their views to the Members of the Congress.

The article by Dr. Briggs is another strong reason against the proposed sea level undertaking at Panama, the volume of which reasons is already overwhelming. Because of its fundamental importance, I quote the indicated Briggs article and the exchange of letters relative thereto as parts of my remarks and commend them for reading by all Members of the Congress and others concerned with the Isthmian canal question.

THE SEA-LEVEL PANAMA CANAL: POTENTIAL BIOLOGICAL CATASTROPHE

(By John C. Briggs)

(NOTE.—The author is Professor and Chairman of the Department of Zoology, University of South Florida, Tampa, Florida 33620. This research was supported by National Science Foundation Grant GB-4330. Helpful suggestions were received from J. L. Simon, H. H. DeWitt, and T. L. Hopkins.)

While the possibility of a sea-level canal somewhere in the vicinity of the Isthmus of Panama has been discussed for many years, its feasibility as an engineering project has become enhanced as the result of recent experimental work with nuclear devices that can be used for excavation. It appears now that the undertaking of this project will be strongly supported as soon as the current economic crisis in the United States is over. Until recently, the only facet of the plan that had drawn the attention of many biologists was the possibility of radiation damage. However, Rubino (1968) finally pointed out that there would be other important biological effects and gave examples of disastrous invasions that have occurred in other places as the results of human interference.

THE NEW WORLD LAND BARRIER

The New World Land Barrier, with the Isthmus of Panama forming its narrowest part, is a complete block to the movement of tropical marine species between the Western Atlantic and Eastern Pacific. This state of affairs has existed since about the latest Pliocene or earliest Pleistocene (Simpson, 1965; Patterson and Pascual, 1963) so that, at the species level, the two faunas are well separated. It has been estimated that about 1000 distinct species of shore fishes now exist on both sides of Central America but, aside from some 16 circumtropical species, only about 12 can be considered identical (Briggs, 1967).

This land barrier is also effective for marine invertebrates. Haig (1956, 1960) studied the crab family Porcellanidae in both the Western Atlantic and Eastern Pacific and found that only about 7% of the species were common to the two areas; de Laubenfels (1936) found a similar distribution in about 11% of the sponges he studied; and Ekman (1953), about 2.5% for the echinoderms. It

seems, therefore, that only a very small proportion of the species in the major groups of marine animals are found on both sides of the Isthmus of Panama. The present Panama Canal has not notably altered this relationship since, for most of its length, it is a fresh-water passage forming an effective barrier for all but a few euryhaline species.

With regard to the tropical waters on each side of the isthmus, there is no reason to suspect that each area is not supporting its optimum number of species. Studies of terrestrial biotas have indicated that most continental habitats are ecologically saturated (Elton, 1958; Pianka, 1966) and that islands demonstrate an orderly relationship between the area and species diversity (MacArthur and Wilson, 1967). Assuming the niches of the two marine areas are filled, achieving maximum species diversity, invasion by additional species could alter the faunal composition but should not permanently increase the number of species.

REGIONAL RELATIONSHIP

The tropical shelf fauna of the world may be divided into four, distinct zoogeographic regions: the Indo-West Pacific, the Eastern Pacific, the Western Atlantic, and the Eastern Atlantic. While the Indo-West Pacific undoubtedly serves as the primary evolutionary and distributional center (Briggs, 1966), the Western Atlantic Region may be said to rank second in importance. Its geographic area is larger (Fig. 1), its habitat diversity greater, and its fauna considerably richer than for each of the remaining two regions. Since the Western Atlantic species are the products of a richer and therefore more stable ecosystem, we may expect that they would prove to be competitively superior to those species that are endemic to the Eastern Pacific or Eastern Atlantic.

An examination of the faunal relationships between the Western Atlantic and the Eastern Atlantic does provide good circumstantial evidence that species from the former are competitively dominant. An impressive number have managed to traverse the open waters of the central Atlantic (The Mid-Atlantic Barrier) and to establish themselves on the eastern side. For example, in the shore fishes there are about 118 trans-Atlantic species but only about 24 of them have apparently come from the Indo-West Pacific via the Cape of Good Hope. The rest have probably evolved in the Western Atlantic and have successfully performed an eastward colonization journey across the ocean. None of the trans-Atlantic species belong to genera that are typically Eastern Atlantic. Recent works on West African invertebrate groups tend to show that an appreciable percentage of the species is trans-Atlantic (Briggs, 1967). It seems likely that the great majority of these species also represents successful migration from the Western Atlantic.

EFFECT OF THE SUEZ CANAL

The Suez Canal is a sea-level passage that has been open since 1869, but its biological effects are not entirely comparable to those that would occur as the result of a sea-level Panama Canal for two reasons: first, the Suez Canal connects two areas that are separated by a temperature barrier, the Red Sea being tropical while the Mediterranean is warm-temperate; second, the Bitter Lakes which form part of the Suez passageway have a high salinity (about 45 0/00) which prevents migration by many species.

Despite the above difficulties, the limited migratory movements that have taken place through the Suez Canal do provide some significant information. At least 24 species of Red Sea fishes have invaded the Mediterranean (Ben-Tuvia, 1966), 16 species of decapod crustaceans (Holthuis and Gottlieb, 1958), and several members of other groups such as the tunicates (Péres, 1958) mollusks (Engle and van Eeken, 1962), and stomato-

pod crustaceans (Ingle, 1963). So there is ample evidence of intrusions into the eastern Mediterranean, but there are no reliable data that indicate any successful reciprocal migration. Furthermore, there are some indications that the invaders from the Red Sea (a part of the vast Indo-West Pacific Region) are replacing rather than coexisting with certain native species. George (1966) observed that, along the Lebanese coast, the immigrant fishes *Sphyræna chrysotaenia*, *Upeneus moluccensis*, and *Siganus rivulatus* may be replacing, respectively, the endemic *Sphyræna sphyræna*, *Mullus barbatus*, and *Sarpa salpa*.

AN ANCIENT EVENT

It is now well established that in the past one or more seaways extended across Central America or northern South America for a considerable period of time, probably throughout the greater part of the Tertiary. While these oceanic connections assured the initial development of an essentially common marine fauna in the New World tropics, they operated as an important barrier for terrestrial animals. Later, perhaps about three million years ago, tectonic forces gradually produced an uplift that re-established the land connection between the two continents.

The effects of the new intercontinental connection must have been rapid and dramatic. The fossil record of this event is fragmentary but considerably better for the mammals than for the other terrestrial groups. Simpson (1965) presented an interesting and well-documented history of the Latin American mammal fauna. His findings relevant to the re-establishment of the Isthmus may be summarized as follows: (a) the full surge of intermigration took place in Pleistocene times with representatives of 15 families of North American mammals spreading into South America and seven families spreading in the reverse direction; (b) the immediate effect was to produce in both continents, but particularly in South America, a greatly enriched fauna; (c) the main migrants to the south were deer, camels, peccaries, tapirs, horses, mastodons, cats, weasels, raccoons, bears, dogs, mice, squirrels, rabbits, and shrews; (d) in South America, the effect was catastrophic and resulted in the extinction of the unique notoungulates, litopterns, and marsupial carnivores; the native rodents and edentates were greatly reduced; and (e) now, South America has returned to about the same basic richness of fauna as before the invasion.

Comparatively, the invasion of Central and North America by South American mammals was not nearly so successful. The three migrants that have managed to survive north of Mexico—an opossum, an armadillo, and a porcupine—apparently occupy unique niches. Simpson (1965) noted that when ecological vicars met, one or the other generally became extinct. The dominant species that invaded South America were the evolutionary products of the "World Continent" including both North America and the Old World (the Siberian Land Bridge was frequently available).

CUTTING THE ISTHMIAN BARRIER

How effectively would a sea-level ship canal breach the New World Land Barrier? The engineering problems have been worked out using scale models. Although the mean sea-level is 0.77 feet higher on the Pacific side, it would have little effect compared to the effect of the difference in tidal amplitude. The tidal range on the Pacific side is often as great as 20 feet while it is usually less than a foot on the opposite side. For an open canal, it has been calculated that the tidal currents would attain a velocity of up to 4.5 knots and would change direction every 6 hours (Meyers and Schultz, 1949). Tide locks would probably be employed to

regulate the currents but it seems apparent that the vast amount of fluctuation and mixing would provide ample opportunity for most of the marine animals (as adults or as young stages) to migrate in either direction.

NUMBER OF AFFECTED SPECIES

Data on the number of marine invertebrate species that inhabit the major parts of the New World tropics are not available. The total fauna is so rich and so many groups are so poorly known that it almost defies analysis. Voss and Voss (1955) reported 133 species of macro-invertebrates from the shallow waters of Soldier's Key, a little island (100 by 200 yards) in Biscayne Bay, Florida. The tiny metazoans comprising the meiofauna of the sediments were not sampled. Work in other areas has shown that the numbers of individuals per square meter in the meiofauna are about 100 times that of the macrofauna (Sanders, 1960). Although a complete tally of species has apparently never been made, there are indications from partial identifications (Weiser, 1960) that the number of species in the meiofauna is at least four or five times greater. For Soldier's Key, if we assume that the meiofauna is only four times richer in species, we would have a total of 655 benthic invertebrates.

Ichthyologists who have collected among the Florida Keys would probably agree that the shallow waters of Soldier's Key could be expected to yield close to 50 species of fishes. This provides an admittedly rough but useful ratio of 1:13 between the numbers of fish and invertebrate species for a small tropical locality. Although the fish fauna of the western Caribbean is not yet well known, the number of shore species can be approximated at about 600; this is probably a low estimate since we know that more than 600 exist in Florida waters (Briggs, 1958). Using the 1:13 ratio, the number of marine invertebrate species for the western Caribbean can be estimated at about 7800. Adding the fish species gives a total of about 8400 marine animal species.

The tropical Eastern Pacific possesses a less diversified fauna than the Western Atlantic. The Gulf of Panama and its adjacent waters is probably inhabited by a shore fish fauna of some 400 species. Using the 1:13 ratio gives an estimate of about 5200 species for the invertebrates and a total of about 5600 marine animal species. The great majority of tropical, shallow-water animals are very prolific and possess highly effective means of dispersal. It has been estimated that 80-85% of all tropical, benthic invertebrate species possess planktotrophic pelagic larvae (Thorson, 1966). Since the fishes are relatively mobile, it seems apparent that the great majority of the animal species under discussion would be capable of eventually migrating through a saltwater canal.

Assuming that 80% of the species on each side of the Isthmus would succeed in moving through the canal, 6720 species would migrate westward and 4480 eastward. However, since we are dealing with only rough approximations, it would be more appropriate to simply estimate that we would probably witness the invasion of the Eastern Pacific by more than 6000 species and the invasion of the Western Atlantic by more than 4000 species.

PREDICTION

A logical prediction can be made most easily if the pertinent information given above is summarized as follows:

- (1) The great majority of the species on either side of the Isthmus are distinct, at the species level, from those of the opposite side.
- (2) The habitats on each side of the Isthmus are probably ecologically saturated so that maximum species diversity has been achieved.
- (3) The Western Atlantic Region includes a much larger area, exhibits more habitat

diversity, and possesses a richer fauna than the Eastern Pacific or Eastern Atlantic Regions.

(4) Western Atlantic species are apparently competitively dominant to those of the Eastern Atlantic—a smaller region but comparable in size and habitat diversity to the Eastern Pacific.

(5) At least some of the dominant species that have invaded the Mediterranean via the Suez Canal seem to be replacing the native species.

(6) When the land bridge to South America was re-established, the invasion of North American mammals enriched the total fauna. However, this effect was temporary since so many native South American mammals became extinct that the number of species soon returned to about its original level.

(7) A sea-level canal would provide ample opportunity for marine animals to migrate in either direction. This would probably result in the Eastern Pacific being invaded by over 6000 species and the Western Atlantic being invaded by over 4000 species.

For the tropical Eastern Pacific it is predicted that its fauna would be temporarily enriched but that the resulting competition would soon bring about a widespread extinction among the native species. The elimination of species would continue until the total number in the area returned to about its original level. The fact that a large scale extinction would take place seems inescapable. It would be difficult, and perhaps irrelevant, to attempt a close estimate of the number of Eastern Pacific species that would be lost. The irrevocable extinction of as few as 1000 species is about as appalling as the prospect of losing 5000 or more.

There is little doubt that the tropical Western Atlantic fauna would suffer far less. With the exception of a few species that may be ecologically distinct, the level of competition would probably be such that the invaders would not be able to establish permanent colonies. Some dominant, Indo-West Pacific species have been able to cross the East Pacific Barrier and establish themselves in the Eastern Pacific (Briggs, 1961). It is likely that a few of these forms would eventually find their way through a sea-level canal. In such cases, the equivalent Western Atlantic species would probably be eliminated.

Man has undertaken major engineering projects for most of his civilized history and the construction of such necessary facilities as canals, dams, and harbors will continue and expand as the human population grows larger. In this case, however, man would remove a major zoogeographic barrier that has stood for about three million years. The disturbance to the local environment would not be nearly as important as the migration into the Eastern Pacific of a multitude of species that would evidently be superior competitors. So, instead of having only local populations affected, the very existence of a large number of wide-ranging species is threatened. This poses a conservation problem of an entirely new order of magnitude.

Rubínoff (1968) assumed that a sea-level canal would be constructed and looked upon its advent as an opportunity to conduct the greatest biological experiment in man's history. As I have stated elsewhere (Briggs, 1968), this approach is unfortunate, for it tends to divert attention from a vital conservation issue. The important question is: Should the sea-level canal project be undertaken at all? What is the value of a unique species—of thousands of unique species? Currently, many countries are expending considerable effort and funds in order to save a relatively few endangered species. The public should be aware that international negotiations now being carried on from a purely economic viewpoint are likely to have such serious biological consequences. Does our generation have a responsibility to posterity in this matter?

A biological catastrophe of this scope is bound to have international repercussions. The tropical waters of the Eastern Pacific extend from the Gulf of Guayaquil to the Gulf of California. Included are the coasts of Ecuador, Colombia, Panama, Costa Rica, Nicaragua, Honduras, El Salvador, Guatemala, and Mexico. While the prospect of such an enormous loss of unique species is something that the entire world should be aware of, these countries are the ones that will be directly affected since their shore faunas will probably be radically changed.

ALTERNATIVE

Assuming that a better canal would provide economic benefits, I suggest either an improvement of the existing structure or the construction of a new overland canal that would still contain freshwater for most of its route. There seems to be no reason why we cannot have a canal that could accommodate ships of any size yet still maintain the freshwater barrier that is so important. One could conceive of other alternatives such as a sea-level canal provided with some means of killing the migrating animals—possibly by heating the water or adding lethal chemicals. However, such expedients would be both risky and distasteful.

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UNNECESSARY ALARM

Professor John C. Briggs' article (*Bio-Science*, January 1969, p. 44) points out some valid and important considerations in the coming decision on whether to build an isthmian sea-level canal. However, I hope you will bring to your readers' attention some factors that would tend to mitigate some of the alarms Briggs has cited.

Our engineers calculate that there will be no net flow from the Atlantic to the Pacific through a sea-level canal. The approximately one foot higher mean sea-level of the Pacific will make the net flow from the Pacific to the Atlantic. Briggs' article indicates that biota carried in this direction pose the lesser threat in comparison with movements in the opposite direction. It appears that only the creatures that can swim against the current will be able to make the transit from the Atlantic to the Pacific.

Briggs makes no mention of the transfer of marine life through the existing lock canal. In its 54 years of operation there have been and continue to be extensive transfers by three distinct means. First, swimming and drifting biota that thrive in both salt and fresh water readily pass through the locks and inevitably make their way across Gatun and Miraflores Lakes to the opposite oceans. Some have been specifically identified as having followed this path. Second, barnacles and similar clinging organisms pass in both directions every day on the hulls of ships. Third, and perhaps most important to the question of the biological impact of linking the oceans, is the daily transfer of fairly large amounts of salt water in ships' ballast tanks. This has gone on for more than a half century. Lightly loaded or empty ships approaching the canal are frequently required to take on ballast water before entering the locks. This is to deepen their drafts to make them easier to handle while in restricted canal channels. As a usual practice on leaving the canal a few hours later at the opposite ocean, this ballast water is discharged to lighten the ships to save fuel on the remainder of the trip. Thus, all the small swimming and drifting marine life that would be found in these thousands of samples of sea water taken year in and year out since 1914, have made the trip across the isthmus in salt water in both directions. While a sea-level,

salt-water channel between the oceans would vastly augment the movements of marine creatures between the oceans, the new avenue would appear to offer previously denied passage for only that portion of ocean life that could not transit by one or more of the three existing means.

Some segments of the total spectra of biota in the two oceans have surely crossed the isthmus to the opposite ocean during the past half century and continue to do so daily. It follows that a large portion of the small swimming, drifting, and clinging creatures on both sides of the isthmus have long been exposed to inoculations of the same category from the opposite ocean. To date, no discernible effects have resulted. It seems reasonable to conclude that a sea-level canal would create little or no new threat to the lower links of the ocean food chain. New exposures would be limited to the larger swimming and drifting biota. Thus the area of danger of harmful biological changes when the oceans are joined is much less broad than it first appears.

Under a contract with the Canal Study Commission the Battelle Memorial Institute is conducting an extensive evaluation of the potential biological impacts of a sea-level canal. It is acknowledged that in the time available this study cannot reach final conclusions, but it can narrow the area of doubt. The Commission has arranged with the National Academy of Sciences to develop a program of bioenvironmental studies for the Commission to recommend in its report to the President, should construction of a sea-level canal be recommended. Such a canal would require 12 to 15 years to construct, and hence ample time for biological research would be available.

JOHN P. SHEFFEY,
Atlantic-Pacific Interoceanic Canal
Study Commission, Washington, D.C.

BRIGGS' REPLY

Since John P. Sheffey kindly sent me a copy of his February 6th letter to you, I have the opportunity to respond to his comments. If you decide to publish his letter, I would appreciate it if you would also consider the following:

Mr. John P. Sheffey's main concern was that I made no mention of the transfer of marine life that takes place through the existing canal. Although many organisms have undoubtedly been transported by clinging to the hulls of ships or by living in the salt-water of ship's ballast tanks, the important point is that such transfers have not generally resulted in successful colonizations. For this reason, marine biologists have not been particularly interested in evaluating them.

It would be a tragic error for us to conclude that, because the present canal has not served as a successful migratory route, there is no danger of a new sea-level canal doing so. How can there be any doubt that an open canal, providing a continuous salt-water passage between the oceans, would present a far better opportunity for successful migration? Many Red Sea animals have succeeded in passing through the Suez Canal to colonize the Mediterranean despite having to overcome formidable temperature and salinity barriers. Since a sea-level Panama canal would contain no such barriers, one can only expect that a huge number of successful migrations would take place.

Considering that the mean sea-level of the Pacific side is 0.77 feet higher than the Atlantic, a very small net flow toward the Atlantic would take place. However, the gradient would be so slight—about 0.2 inches per mile—that it would have little effect compared to the difference in tidal amplitude. The tidal currents would cause so much fluctuation and mixing that it seems reasonable to conclude that most marine animals would have ample opportunity to migrate in

either direction. We must also bear in mind that many planktonic as well as large organisms have sufficient swimming ability to counteract the effect of a slow net flow in one direction. Finally, we should recognize that many of the benthic invertebrate species will be able to colonize the sides and bottom of the canal itself and, by this method, could slowly extend their populations from one ocean to the other.

I believe that the only dependable means by which large scale migrations and subsequent biological disaster in the tropical Eastern Pacific can be prevented is by the inclusion of an extensive freshwater barrier. The Atlantic-Pacific Interoceanic Canal Study Commission, with Mr. Sheffey as its Executive Director, has the responsibility of determining the feasibility of a new canal. It will make its final report to President Nixon in December, 1970. Biologists who wish to lend their support to the freshwater barrier concept should make their views known to the Commission and to their Congressmen.

JOHN C. BRIGGS,
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THE RFC MODEL SHOULD BE USED IN TODAY'S ECONOMY

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, earlier today, in a 1-minute speech I announced plans to introduce legislation to reestablish a Federal credit institution modeled after the successful Reconstruction Finance Corporation—RFC. Another homeowners loan corporation should also be considered.

Mr. Speaker, the tremendous work of this agency between 1932 and 1954 is a matter of public record. It financed thousands of public facilities and helped provide badly needed funds for small businessmen throughout the Nation.

This same type of credit—based on reasonable interest rates and terms—is badly needed today.

Mr. Speaker, a look at the history and the operations of the Reconstruction Finance Corporation shows how it could work in today's economy to provide credit for worthy projects, particularly for schools, parks, water and sewage facilities, and like public undertakings.

SCOPE OF OPERATIONS

The Reconstruction Finance Corporation was a public lending agency with unlimited authority to borrow funds from the U.S. Treasury. In addition to its loan authority, it subscribed for, purchased, and traded in the securities of private business enterprises; State and local government agencies, and other agencies of the Federal Government; and, through its subsidiaries, purchased and sold mortgages on both residential and income-producing properties. Until 1947, it used its retained earnings to extend various authorized programs, often utilizing income from one program to expand operations in another, at the discretion of its management. Thus, despite reductions in its original capital of \$500 million, RFC disbursed more than \$40 billion in direct loans during its life of succession and was conditionally committed to disburse many billions more

under guarantees of loans and investments made by private financial institutions.

Its authority to borrow from the Treasury defined RFC as unique among Government agencies and made it more flexible than agencies operating under traditional Government appropriation procedures. Recognizing this flexibility, Congress frequently authorized advances and allocations of RFC funds to other Government agencies, subsequently reimbursing the Corporation with appropriated funds or by authorizing cancellation of the notes issued by RFC to the Secretary of the Treasury to obtain the funds. On one occasion, in 1941 when the public debt was approaching its limit, RFC ceased borrowing from the Treasury and issued its notes to the public. Part of these funds were then used to buy the stock of the Federal home loan banks from the Secretary of the Treasury as a means of providing the Treasury with additional funds. Other operations for the Federal Government include RFC's services as fiscal agent for the Defense Production Administration and its services as a liquidating agent for discontinued Government agencies and programs.

Beginning in 1940, RFC organized a group of subsidiaries to handle national defense and war programs. These subsidiaries developed sources for, manufactured, procured, stockpiled, and sold a long list of strategic materials and commodities; built and operated industrial facilities for war production; collected and salvaged scrap materials; conducted preclusive buying operations abroad, designed to handicap enemy powers; made subsidy payments to domestic producers and transporters of essential materials, both to encourage production and to help control prices; provided insurance against loss due to enemy action; and, for a short period after the war, undertook to dispose of surplus war property.

These programs were of types totally unrelated to RFC's normal financial activities and, while financed by the parent corporation with funds obtained from the Treasury, are not included in the \$40 billion tabulation of RFC's disbursements since, as in the case of RFC's allocations to other Government agencies and to States for relief, Congress canceled the notes issued by RFC to the Secretary of the Treasury to obtain the funds so used.

Within the scope of RFC's "normal" lending operations, however, there was a requirement that there be a reasonable assurance of repayment. Some programs are not recorded as generally solvent. For instance, more than one-fourth of all amounts disbursed on loans to mining enterprises were charged off as losses. However, much of the expense incurred in administering small loans was absorbed in income from large loans and investments, and records show that, taken as a whole, interest income and other revenues exceeded losses and expenses.

The value of RFC's role in the economy has been questioned by those who argue that, after 1940, it ceased to be a countercyclical device, its operations

being permitted to expand during a period of inflation. Nevertheless, RFC provided innovations in lending operations and filled notable gaps in the existing credit structure. For instance, RFC may be said to have effected a permanent extension in the term of business loans. Traditionally, commercial banks had limited such loans to a maturity of 1 year or less. By contrast, nearly 70 percent of the total disbursed by RFC for direct business loans from 1934 to 1951 had a maturity of 5 years and over. When RFC business loans declined as a result of its World War II activities, commercial banks took up the slack and, for the first time, began to engage actively in the extension of term credits. Similarly, with the dissolution of the corporation, other programs and types of lending operations were taken over by other financial institutions, both public and private. RFC as a concept, however, has not been replaced. No single type of financial institution, private or public, possesses either the flexibility or scope of operations exhibited by RFC in its lending programs.

BACKGROUND

Patterned on the War Finance Corporation, whose activities during World War I provided a precedent for Government assistance to private enterprise, the Reconstruction Finance Corporation was organized and began operations on February 22, 1932, a month after approval of the enacting legislation. Its primary purpose was to extend aid to agriculture, industry, and commerce through the medium of direct loans to banks, trust companies, and other financial institutions. Loans to smaller institutions were emphasized. The initial legislation also provided for assistance to railroads in the process of construction and to receivers of railroads.

Originally, RFC had a life of succession of 10 years, with the initial lending authority limited to a 2-year period. The remaining 8-year period was envisioned as necessary for any continuation of the initial programs. The various emergency programs enacted in 1933, however, made use of RFC as a funding agency and, in June 1934, an amendment to the original act permitted the Corporation to extend aid to small business firms. RFC was authorized to make loans directly or in cooperation with other lending institutions to solvent firms unable to obtain credit through normal channels. While the authorization of a maximum maturity of 5 years, an aggregate amount of loans outstanding of \$500 million, and an aggregate amount to one borrower of \$500,000 were reasonably liberal provisions, the limitation with respect to collateral hampered the volume of applications. The original language of this provision was interpreted to mean that the security offered must be equal to the principal of the loan. When extended in 1935, the business loan provisions of the act were liberalized to provide that loans be secured so as "reasonably to assure repayment." In addition, the maximum maturity of loans was extended to 10 years and the limitation of \$500,000 to any one borrower was removed.

In subsequent years, RFC's lending authority was extended and broadened to include authority to purchase the capital stock of banks, insurance companies, agricultural credit corporations, and national mortgage associations. Authority was also given to make loans to agricultural improvement districts, disaster victims, public school authorities, and to assist in financing the construction of public works. In 1938 the business loan provisions were broadened to permit the Corporation to purchase the securities and obligations of any business enterprise, and thus to provide both credit and capital when either or both were not available from private sources. In addition, the limitation on maturities of loans was removed altogether and authority given to set maturities by administrative decision.

In 1940, RFC was given new responsibilities in connection with the national defense program and, subsequently, with wartime programs. For the most part, these programs were conducted by RFC subsidiaries. Nevertheless, relatively little lending was done under the regular programs.

RFC's life of succession had been extended in 1940 to January 22, 1947. It was subsequently reextended several times until, in 1948, it was extended to June 30, 1956. In 1947 and 1948, RFC was given a new charter under which its wartime powers were repealed and some of its functions curtailed. On the principle that the emergency had passed and that RFC must not compete with private sources of credit, RFC was required to have tangible evidence that a borrower could not obtain credit elsewhere. In addition, the capital stock of the Corporation held by the Treasury was reduced to \$100,000, and its borrowing authority was limited to \$2 billion outstanding on loans, investments, purchases, and commitments made after June 30, 1947. While this limitation on loans outstanding was subsequently increased—up to \$3.75 billion in April 1950, primarily as a result of the increased mortgage activity of the Federal National Mortgage Association, an RFC subsidiary—other limitations were imposed by Congress as to the amount of loans outstanding for specific programs. Further, it was stipulated that loans should serve the public interest, and that activities should be curtailed in times of inflation. Subsequent amendments in 1950, 1951, and 1952 added special lending powers with respect to defense production and gave priority to defense loans.

On July 30, 1953, the RFC Liquidation Act was approved as part of the legislation which authorized creation of the Small Business Administration, and the Corporation's lending powers were terminated effective on September 28, 1953. Under the provisions of this legislation, RFC continued as an independent agency until June 30, 1954. Thereafter for further liquidation, the Secretary of the Treasury succeeded to and exercised all powers, duties, and authority previously lodged in the Administrator of the Corporation. On June 30, 1957, the Reconstruction Finance Corporation was abol-

ished as provided by Reorganization Plan No. 1 of 1957.

RFC FINANCING—CAPITAL STOCK

The original Reconstruction Finance Corporation Act provided for capital stock in the amount of \$500 million. Subscription was made and paid for by the Secretary of the Treasury. Under amendments to the act approved June 25, 1940, \$175 million of the capital stock of the Corporation was retired in conjunction with provisions for RFC to issue its notes to the public. At the time, the public debt was approaching its limit and these amendments served to ease the strain on the Treasury of RFC's enlarged responsibilities under the National Defense Act. An additional \$225 million was retired under the provisions of the amendment approved May 25, 1948 in conjunction with curtailments of RFC's lending functions. The remaining \$100 million of capital stock was outstanding until abolition of the Corporation on June 30, 1957.

LIMITATIONS ON OUTSTANDING OBLIGATIONS

Under the original act, RFC's outstanding obligations were not to exceed three times the amount of its capital stock, or \$1.5 billion. This authority was enlarged in 1932 and 1934 to a total of \$3.75 billion, and various amendments after 1940 increased the total authority to issue obligations to \$14,089,528,165 as of June 30, 1947. An additional borrowing authority for specific purposes—primarily for loans and advances to, and purchases of the securities of other Government agencies—was utilized to the extent of \$4,977,500,000 as of June 30, 1947.

Effective July 1, 1947, most of RFC's wartime functions were terminated and its borrowing authority limited to \$2 billion outstanding on loans, investments, purchases, and commitments made after June 30, 1947. This limitation was subsequently increased—to \$2.5 billion in July 1949, to \$3.5 billion in October 1949, and to \$3.75 billion in April 1950—primarily as the result of the increased activity of RFC's mortgage subsidiary, the Federal National Mortgage Association.

Within this general authority of \$3.75 billion, there were the following limitations imposed by Congress:

For construction by public agencies	\$200,000,000
For catastrophes	40,000,000
For the capital of insurance companies	15,000,000
For civil defense loans	250,000,000

In addition to the above, RFC was authorized to utilize \$50 million of its funds for assistance to prefabricated housing under the Housing Act of 1948. Other special programs after June 1947, included \$2.176 billion, borrowed from the Treasury and disbursed to provide temporary financing for foreign aid programs, these advances being repaid out of subsequent appropriations.

Under Reorganization Plan No. 22 of 1950, the Federal National Mortgage Association was transferred from RFC to the Housing and Home Finance Agency, and RFC's lending authority was reduced by \$2.75 billion, this amount being transferred to the Housing and Home Finance

Agency. At that time, the remainder of RFC's housing authority under the 1948 act and its prefabricated housing program were also transferred to the Housing and Home Finance Agency. As a result, RFC's lending authority was reduced to \$993 million outstanding on loans, investments, and commitments made after June 30, 1947, and remained at this figure until liquidation of the Corporation.

BORROWINGS OF RFC

The following breakdown of RFC's borrowings covers the entire period of its life of succession:

Notes issued to the Secretary of the Treasury	\$51,346,850,497
Notes issued to the public	3,072,634,547

Total

54,419,485,044

NOTES ISSUED TO THE TREASURY

The initial issue of notes to the Secretary of the Treasury matured in 6 months and bore $3\frac{1}{2}$ percent interest. Subsequent issues prior to 1947 were negotiated between RFC and the Treasury as to maturity and interest. The maximum maturity during this period was $3\frac{1}{2}$ years and rates ranged from $\frac{1}{8}$ to $3\frac{1}{2}$ percent. The average annual rate on RFC's notes steadily declined from the $3\frac{1}{2}$ percent maximum in 1932 to 1.072 in 1939. Thereafter, with the exception of two specific Government programs, the notes bore 1 percent interest. In 1947, Congress enacted an amendment requiring that interest on notes issued by RFC to the Secretary of the Treasury be set in relation to current average rates on Government bonds. Subsequent rates on notes ranged from $1\frac{1}{8}$ to $2\frac{1}{2}$ percent, the large majority being at the lower figure.

NOTES ISSUED TO THE PUBLIC

In relation to the provisions of the Emergency Act of 1933 devaluating the dollar, the first notes issued by RFC to the public were given in payment for gold. Between October 1933 and January 1934, the Corporation issued a total of \$134,482,713 to acquire 695,027 ounces of domestic, and 3,418,993 ounces of foreign gold. The notes were turned over to the Treasury for cash and retired at maturity on February 1, 1934. RFC took a discount of \$81,763 in exchanging its notes for gold.

Other notes issued to the public under the provisions of the 1940 amendments previously noted were taken primarily by banks and other financial institutions from which RFC had purchased preferred stock, debentures, or capital notes. In some cases, the notes were retired by crediting the amount against the principal of the loan made by RFC to the institution. Interest rates on these issues ranged from $\frac{1}{8}$ to 3 percent.

RETAINED EARNINGS

Prior to 1948 there were no statutory provisions which required RFC to relinquish earnings. Such earnings were used by the Corporation to finance its operations, and, frequently, income from one program was used to fund other programs. For instance, funds obtained from the liquidation of the Smaller War Plants Corporation, an independent agency,

were utilized by RFC to expand operations under its general lending authority.

Under the 1947 amendments, RFC was required to pay as a dividend to the Treasury any amount earned in excess of \$250 million and a reasonable reserve for losses. The effect, in line with other provisions of the amendments, was to curtail RFC's lending authority. In December 1948, RFC paid the Treasury a dividend of \$307,391,555, based on its accumulated net income of \$557,391,555 for the year ending June 30, 1948. From 1949 to 1954, the Corporation paid a total of \$82,946,891 to the Treasury as dividends on earnings in excess of \$250 million per annum. After 1954, liquidation of the Corporation was underway and all excess cash was turned over to the Treasury. Accumulated net earnings for the years 1955, 1956, and 1957 totaled \$223,154,595.

RFC LENDING FUNCTIONS

RFC authorized a total of \$46,468,722,698 for allocations, loans, and other investments during the period from February 2, 1932, to September 28, 1953, excluding loans, advances, purchases, and contract authorizations authorized by subsidiaries of RFC and financed with funds secured from the parent organization. Actual disbursements during this period amounted to \$40,555,894,138, with recoveries of amounts disbursed in the form of repayments, notes canceled, and foreclosures totaling \$39,881,414,031.

Of the total of over \$46 billion authorized by RFC, \$7,235,248,449 was authorized for loans and allocations to other Government agencies under congressional directives, and \$692,299,251 was authorized for purchases of securities from the Federal Emergency Administrator of Public Works, subsequently entitled the Public Works Administrator. The remaining \$38,541,174,998 was au-

thorized for loans and investments at the discretion of RFC's management. The composition of the latter type of authorization and disbursement is as follows:

	Amount authorized	Disbursements to Sept. 28, 1953
Loans to and investments in financial institutions.....	\$4,815,324,697	\$3,906,201,681
Loans to business enterprises.....	5,153,294,815	2,637,329,690
Loans to agricultural financing institutions.....	2,454,133,430	1,452,502,107
Loans to railroads.....	1,059,867,787	938,440,875
Loans to and investments in public agencies.....	1,024,203,892	793,600,115
Investments in RFC mortgage loan subsidiaries.....	1,831,551,598	1,778,093,357
Loans to foreign governments.....	495,000,000	460,000,000
Investments in Government agencies.....	391,991,000	391,933,000
Other loans and investments.....	97,507,778	77,098,982
Investments in RFC's wartime subsidiaries.....	21,218,300,001	20,877,617,233
Total.....	38,541,174,998	33,312,817,040

A breakdown by periods indicates that, during the first 3 years of operations, RFC loans and investments were concentrated in the area of providing assistance to financial institutions, railroads, and agencies providing financial assistance to agriculture. After 1935, aid to financial institutions diminished and loans and investments to business enterprises and public agencies, as well as mortgage loans, assumed greater importance. Between 1940 and 1945 more than 80 percent of all amounts authorized by RFC were to its wartime subsidiaries, with loans to business enterprises making up the bulk of the remainder. After the war, RFC's lending and investment activity was largely concentrated in the fields of business loans and residential mortgages, with loans to business enterprises reaching a peak in 1949 and mortgage activity

at its highest level during 1949 and 1950. A breakdown of individual lending programs follows:

LOANS TO AND INVESTMENTS IN FINANCIAL INSTITUTIONS

While RFC's lending operations expanded greatly during the more than 20 years of its life of succession, loans to financial institutions under the provisions of the initial RFC Act represents the single largest category of loans disbursed under RFC's normal lending authority. The extent of financial assistance provided by RFC to the various types of financial institutions is shown in the following table:

	Authorized	Disbursed
Banks and trust companies.....	\$3,981,365,688	\$3,265,450,731
Mortgage loan companies.....	494,636,731	354,149,576
Building and loan associations.....	178,989,560	140,158,068
Insurance companies.....	159,689,750	145,843,210
Credit unions.....	642,968	600,096
Total.....	4,815,324,697	3,906,201,681

More than three-fourths of the total disbursed for these loans was paid out in the first 2½ years of the Corporation's existence. Nevertheless, when the Corporation began liquidation in 1953, there was still \$44.6 million outstanding in these loans and investments, loans in only two categories—to building and loan associations and to credit unions—having been repaid in full.

As noted, the authority for loans to credit unions was little used, only 10 loans to seven credit unions having been disbursed. The bulk of RFC's authority for loans to financial institutions was used to provide assistance to banks and trust companies. A summary, according to the nature of these loans, is as follows:

LOANS TO BANKS AND TRUST COMPANIES UNDER SEC. 5 OF THE RFC ACT, AS AMENDED

	Number of authorizations	Number of institutions	Amount authorized
Loans to open banks.....	10,592	4,922	\$1,335,047,661
National.....	2,224	813	360,439,541
State.....	8,368	4,109	974,608,120

	Number of authorizations	Number of institutions	Amount authorized
Loans to closed banks, to aid in reorganization or liquidation.....	4,817	2,421	\$1,181,774,129
Conservators, national and District of Columbia.....	197	181	129,813,204
Conservators, State.....	38	19	33,030,264
Receivers, national and District of Columbia.....	2,915	955	537,738,731
Receivers, State.....	1,631	1,233	464,603,947
Liquidating agents—national.....	9	9	10,028,664
Liquidating agents—State.....	27	24	6,559,319
Total.....	15,409	7,343	2,516,821,790

As the summary indicates, RFC gave preference to the smaller State banks which were still open. However, in handling assistance to closed banks, applications of conservators, receivers, and liquidating agents of national banks were treated on a par with those of State banks. Of the total disbursed, \$21,447,380 was charged off, all but \$1,262,600 of it being in connection with losses on loans to State banks.

BUSINESS LOANS

Loans and investments in business enterprises constitute one of RFC's most significant lending programs, both in terms of the volume of loans and continuity of operations. Initiated in 1934,

the program was subsequently enlarged and liberalized to permit RFC to make loans to, and purchase the obligations of any business enterprise, with both maturities and amounts to any one borrower being determined at the discretion of its management. While commercial loans to business enterprises were necessarily curtailed during the period from 1940 to 1945, the program was expanded after the war, nearly three-quarters of the loans, by both number and amount, being disbursed after February 1945, and almost half of the total disbursed after June 1948.

RFC's business loans were of three types; direct loans, immediate partici-

pation loans, and deferred participation loans. Direct loans were authorized, disbursed, and serviced by RFC. Immediate participation loans were authorized in cooperation with a participating financial institution. Part of a loan was disbursed by RFC and the balance by the participating institutions. In some cases, RFC disbursed the entire amount and immediately sold part of it to the participating institution, or alternatively RFC purchased a part of the loan at the time of disbursement by the participating institution. Servicing of loans was provided by either party as agreed on. Deferred participation loans were serviced by the financial institution with an

agreement under which RFC would purchase a stated portion of the outstanding loan on request.

Prior to 1947, RFC's business loan statistics treated participation loans—both immediate and deferred—in a manner different from that of subsequent periods. During the earlier period, sales of par-

ticipations were treated as direct loans and purchases of participations grouped with deferred participations. After July 1, 1947, both types of immediate participations were grouped in a single class, with direct loans and deferred participations each making up separate categories. In a limited number of cases, loans made

to business enterprises took the form of purchases of capital stock and other obligations issued by concerns and were treated as direct loans for statistical purposes. With these qualifications as to type of loan, the following summary indicates the numbers and amounts of RFC's business loans in the various categories:

	Number	Authorized	Disbursed		Number	Authorized	Disbursed
Loans under authorities other than national defense.	52,932	\$3,300,846,049	\$1,718,642,480	Loans under national defense authorities (June 25, 1940 to June 30, 1947)	10,585	\$1,852,448,766	\$918,687,210
Direct loans and sales of participations (through June 30, 1947)	14,041	797,072,135	554,508,269	Direct loans and sales of participations	4,391	1,261,473,769	839,059,796
Deferred participations and purchases of participations (through June 30, 1947)	16,355	684,167,370	33,078,651	Deferred participations and purchases of participations	2,326	382,071,384	17,422,595
Mining loans (through June 30, 1947)	352	20,659,800	10,118,109	Security purchases for automobile financing	153	132,143,106	
Loans to the fishing industry (through June 30, 1947)	27	809,700	719,675	Loans and purchases of rationed articles and commodities	3,673	75,652,157	62,158,719
Direct loans (July 1, 1947 to Sept. 28, 1953)	11,333	1,142,836,250	819,545,185	Contract settlement loans	6	1,108,350	46,100
Immediate participation loans (July 1, 1947 to Sept. 28, 1953)	1,047	216,512,534	152,891,528	Total	63,517	5,153,294,815	2,637,329,690
Deferred participation loans (July 1, 1947 to Sept. 28, 1953)	5,595	265,771,750	48,386,291				
Direct mortgage loans classified as business loans	4,182	173,016,510	99,394,772				

SPECIAL BUSINESS LOAN PROGRAMS VETERANS' LOANS

Under section 5(d) of the Servicemen's Readjustment Act, RFC authorized 3,525 direct loans to veterans up to June 30, 1947, and disbursed \$8,692,829 with the guarantee of the Veterans' Administration. The Corporation also authorized 170 direct loans to veterans which were not guaranteed by VA, disbursements amounting to \$918,689.

THE BLANKET PARTICIPATION AGREEMENTS PROGRAM

The BPA was a 2-year program to aid reconversion under which RFC agreed to take up to 75 percent in deferred participation in loans made to business enterprises. Unlike other participation agreements authorized by RFC, the Corporation relied entirely on the banks' opinion of a borrowers' credit standing. A limitation of \$350,000 was placed on the aggregate amount outstanding to one borrower. Bank disbursements on BPA loans totaled almost \$500 million and RFC's agreed participation was

\$360 million, or over 70 percent. However, requests by banks for RFC to take up its share of loans aggregated only about \$30 million, with \$4 million charged off as uncollectible. About 2,400 banks or 21 percent of the Nation's total—made loans under the BPA program.

SMALL LOAN PARTICIPATION PROGRAM

The SLP program was, in a sense, a continuation of the BPA program which it succeeded. It was, however, limited to participation in loans of \$100,000 or less and RFC was required to approve each request individually. A total of 6,328 loans in an aggregate amount of \$151,323,284 were authorized, and a total of \$12,617,807 disbursed by RFC.

INDUSTRIAL CLASSIFICATION OF BUSINESS LOANS

The preponderance of RFC loans to business enterprises were made to manufacturing concerns. A breakdown by periods indicates that, prior to December 31, 1941, RFC authorized a total of \$347,492,046 to 4,347 concerns engaged in

manufacturing, and a total of \$135,928,680 to 3,777 concerns which were engaged in nonmanufacturing enterprises. From June 25, 1940, to June 30, 1945, most of the business loans authorized by RFC were to assist in financing the acquisition of plant facilities. During this period, the majority of funds went to manufacturers of basic materials and military equipment, with manufacturers of products—such as textiles, food, lumber, machine tools, machinery, and so forth—receiving allocations of only \$155,936,998 of the \$1,402,961,584 authorized. Between January 1, 1950, and February 28, 1953, RFC authorized a total of 3,542 loans in the amount of \$361,955 to nonmanufacturing industries; and a total of 3,606 loans in the amount of \$630,175 to manufacturing industries.

SIZE OF BUSINESS LOAN AUTHORIZATION

The following table indicates the distribution of the number and amount of business loans authorized by RFC, by size and type of loan:

Direct loans and immediate participations				Deferred participations			
Number	Amount	Number	Amount	Number	Amount	Number	Amount
\$5,000 or less	11,028	\$29,630,483	2,198	\$5,363,664			
\$5,001 to \$10,000	5,789	45,279,454	3,326	19,266,651			
\$10,001 to \$25,000	7,424	130,617,683	6,459	82,799,687			
\$25,001 to \$50,000	4,743	181,802,146	5,010	136,839,622			
\$50,001 to \$100,000	3,613	282,915,218	3,911	222,392,609			
\$100,001 to \$200,000	1,396	210,934,136	1,333	145,407,043			
\$200,001 to \$500,000	1,127	\$358,287,319	1,056	\$235,936,746			
\$500,001 to \$1,000,000	370	270,189,762	171	91,505,773			
Over \$1,000,000	362	2,070,424,287	159	348,828,028			
Total	35,852	3,579,980,488	23,623	1,288,339,823			

LOANS TO AGRICULTURAL FINANCING INSTITUTIONS

Under the original RFC Act, the Corporation was authorized to make loans to various types of institutions engaged in providing credit for agricultural purposes. To a great extent, the loans made by RFC under this authority were to Government or quasi-Government insti-

tutions but differed from the loans and allocations made to other Government agencies in that RFC could prescribe the terms and conditions of the loan and that loans were required to be "fully and adequately secured." Subsequently, RFC was authorized to make loans to help finance the sale of agricultural sur-

pluses abroad, to finance the carrying and marketing of commodities and livestock, and to make loans to the Secretary of Agriculture for the purpose of acquiring cotton. The loans authorized by RFC to agricultural financing institutions under the various authorities are summarized as follows:

	Authorized	Disbursed		Authorized	Disbursed
Under sec. 5, RFC Act:			Under Emergency Relief and Construction Act, 1932:		
Federal land banks	\$399,636,000	\$387,236,000	Commodity Credit Corporation	\$1,604,712,665	\$767,716,962
Joint-stock land banks	33,055,359	26,194,970	To finance agricultural commodities	86,061,513	19,644,492
Federal intermediate credit banks	9,250,000	9,250,000	To finance exports of agricultural surplus	98,445,245	47,300,825
Regional agricultural credit corporations	178,840,453	173,243,641	Under the Agricultural Adjustment Act, 1933: Secretary of Agriculture	23,500,000	3,300,000
Other agricultural credit corporations	6,120,867	5,643,618	Total	2,434,133,430	1,452,502,107
Livestock credit corporations	14,511,328	12,971,599			

RFC MORTGAGE SUBSIDIARIES

While the original RFC Act authorized the Corporation to make loans to mortgage loan companies, it did not provide authority to subscribe to the capital stock of such companies. The act of January 31, 1935, added a new section 5c to the RFC Act which authorized such subscriptions in order to assist in the reestablishment of a normal mortgage market. "Although the power to do so was implied rather than specific," as the final report of the Corporation comments—page 93—RFC used the authority to create two subsidiaries to deal in real estate

mortgages, the RFC Mortgage Co. and the Federal National Mortgage Association, and disbursed a total of \$1,705,001,899 to these subsidiaries.

THE RFC MORTGAGE CO.

Incorporated in March 1935 under the laws of the State of Maryland, the RFC Mortgage Co. was, however, a division of RFC with three officials of the Corporation serving as incorporators, its capital stock purchased by RFC, and the administration of its affairs conducted through the same organization and offices as those of the parent corporation. Under provisions of the act of June 30,

1947, the assets and liabilities of the company were transferred to RFC and the RFC Mortgage Co., was subsequently dissolved. From 1935 to 1947, RFC provided the company with funds amounting to \$334,910,020, \$25 million through subscriptions for capital stock and the balance through loans. At the time of the company's merger with RFC, the Corporation's investment was \$80,352,871, including the \$25 million subscribed for capital stock.

A summary of the RFC Mortgage Co.'s lending and purchasing activities is provided by the following table:

	Authorized		Disbursed to June 30, 1947	
	Number	Amount	Number	Amount
Large-scale housing projects—FHA insured	46	\$38,098,000	19	\$7,466,833
Other FHA-insured mortgages	74,108	293,989,550	63,402	244,764,820
Mortgages insured by VA	25,102	148,537,930	11,367	67,681,262

	Authorized		Disbursed to June 30, 1947	
	Number	Amount	Number	Amount
Direct loans on income-producing properties	4,182	\$173,016,510	2,820	\$99,394,772
Purchases of property	15	7,259,591	15	3,228,815
Total	103,525	660,901,581	77,623	422,536,502

The company acted to provide a secondary market for VA-insured mortgages from August 7, 1946, to June 30, 1947. In July 1948 the authority for RFC to purchase VA-insured mortgages was reactivated by legislation and the function undertaken by the Federal National Mortgage Association. FNMA also undertook to administer the remaining obligations of the RFC Mortgage Co. in the Corporation's portfolio when RFC was liquidated in 1954.

THE FEDERAL NATIONAL MORTGAGE ASSOCIATION

The FNMA was chartered by the Federal Housing Administrator, as author-

ized by title III of the National Housing Act, on February 10, 1938. RFC subscribed for and paid in \$10 million for the capital stock of the Association, and also paid in \$1 million to surplus. In 1948, FNMA's capital stock was increased by \$10 million, also paid in by RFC. Staffed by RFC personnel and operating through the Corporation's field offices, FNMA functioned as a division of RFC until September 7, 1950 when, under Reorganization Plan No. 22 of that year, it was transferred to the Housing and Home Finance Agency. Prior to transfer,

RFC had made loans to FNMA totaling \$1,349,091,869, of which \$1,007,226,308 was outstanding at the time of transfer, in addition to the \$21 million in capital stock and paid in surplus which RFC had provided. Repayment for RFC's investment was provided from funds borrowed by FNMA from the Secretary of the Treasury.

During the period in which FNMA was a subsidiary of RFC, it authorized the purchase of 414,449 mortgages as follows:

	Total	VA mortgages	FHA mortgages
Authorized	\$3,084,211,324	\$1,891,014,451	\$1,193,196,873
Canceled	345,497,165	101,549,900	243,947,265
Disbursed	1,851,042,483	1,096,881,372	754,161,111
Repayments and sales	709,178,636	172,259,012	536,919,624

	Total	VA mortgages	FHA mortgages
Other reductions	\$12,172,121	\$1,282,302	\$10,889,819
Transferred to HHFA:			
Commitments	887,671,676	692,583,179	195,088,497
Mortgages	1,129,691,726	923,340,058	206,351,668

RAILROAD LOANS AND INVESTMENTS

The original RFC Act authorized loans to railroads for temporary financing, to railroads in the process of construction, and to receivers of railroads where funds could not otherwise be obtained at reasonable rates. All loans required the approval of the Interstate Commerce Commission, maturities were limited to 3 years, and the act stipulated that loans be adequately secured. The maximum maturity of such loans was extended to 5 years in 1934 and, in 1935, the loan authority was extended and RFC was authorized to purchase the obligations of railroads engaged in interstate commerce with the approval of the Interstate Commerce Commission. The limitation on aggregate funds outstanding

of \$350 million was increased to \$500 million in June 1940. In 1947 and 1948 RFC's authority to provide financial assistance to railroads was further extended but few loans were made under the extension.

Under the original limitations, RFC authorized 139 loans to 70 borrowers and disbursed \$450,941,524. After 1935, under its new authority, RFC made 248 loans to 98 railroad companies in the amount of \$1,059,867,787. In addition to these loans, the Emergency Appropriation Act of 1934 authorized RFC to purchase railroad obligations from the Federal Emergency Administrator of Public Works—subsequently, Public Works Administrator—in order to provide the PWA with funds to make additional loans. This

authority existed up to 1947 but was not exercised after 1941. Prior to 1941, RFC authorized the purchase of 54 issues of railroad securities and disbursed \$199,290,500 to PWA. The premium of \$6,889,202 which was collected was not considered to be income by RFC and was credited to PWA.

LOANS TO PUBLIC AGENCIES

In September 1932, an amendment to the original act authorized RFC to purchase the securities of, or make loans to States and Territories and their political subdivisions; municipalities; public corporations, boards, and commissions; drainage, levee and irrigation districts; and public municipal instrumentalities formed in more than one State. RFC's activities in this area are summarized as follows:

	Authorized	Disbursed
Self-liquidating projects, under the Emergency Relief and Construction Act of 1932	\$398,873,884	\$339,533,641
Drainage, levee, and irrigation districts under the Emergency Farm Mortgage Act of 1933	150,127,449	101,787,683

	Authorized	Disbursed
Public bodies under sec. 5(d) of the RFC Act	\$475,202,559	\$385,262,291
Securities of public agencies purchased from FERA and PWA	493,854,288	452,181,084
Total	1,518,085,180	1,278,764,699

¹ Includes \$32,983,500 disbursed on outstanding commitments subsequent to Sept. 28, 1953; does not include disbursements for advances related to care and preservation of collateral.

RFC loans for self-liquidating projects—those whose construction costs

would be returned in time by means of tolls, fees, rents, and other charges ex-

clusive of taxation—were not limited as to maturity and funds could be used to

finance public projects authorized by Federal, State, or municipal law. In addition, loans could be made to private corporations formed solely for the purpose of providing low-cost housing and reconstruction in slum areas where such projects were regulated by State or municipal law; to private corporations engaged in constructing or improving bridges, tunnels, and other facilities devoted to public use; and to private corporations to aid in financing projects for the protection and development of forests and other renewable natural resources. Mostly, however, the self-liquidating projects financed by RFC were entirely public in nature. More than three-fourths of the total authorized was disbursed in the State of California, representing an investment by RFC in \$208 million in bonds issued by the Metropolitan Water District of Southern California and \$70 million advanced for the San Francisco-Oakland Bay Bridge.

While the original authority for loans to drainage, levee, and irrigation districts was limited to refinancing completed projects, RFC's authority was broadened in 1936 to include loans for the acquisition or construction of such projects. Maturities of up to 40 years were permitted but loans were required to be "fully and adequately secured" and RFC was required to appraise each project to determine that it would prove economically sound. A total of 1,318 loans were authorized in 671 districts primarily concentrated in Southern and Western States. Activity in this field was highest between 1933 and 1937, but continued at a lower rate into 1947.

RFC's original authority to make loans to, and purchase the securities of all types of public agencies and bodies was transferred to the Federal Emergency Administrator of Public Works in 1933, in conjunction with the authorization for RFC to purchase securities from FERA. RFC's authority in this field was, however, subsequently reactivated in 1938 and retained throughout the life of the

Corporation. There was no statutory limitation as to maturity, but loans were required to be of such sound value or so secured as to reasonably assure retirement or repayment. Assistance was given broadly among the States but there were certain concentrations in dollar amounts for large projects. Among these were the \$136 million authorized for the State of Arkansas Highway Department; the \$37 million for the Pennsylvania Turnpike Commission; \$20 million for the city of Philadelphia Gas System; \$28,885,000 for the city of Cleveland Transit Authority; and \$22,450,000 for the hydroelectric project of Public Utility District No. 1 of Pend Oreille County, Wash.

FINANCING OTHER GOVERNMENT AGENCIES

Aside from loans to agricultural financing institutions and in addition to loans and allocations to other Government agencies at the specific direction of Congress, there were several instances in which RFC funds were used to finance Government agencies within the discretion of the executive branch.

The Export-Import Banks was one such instance, with RFC providing the original capital and subscribing to the initial issue of preferred stock. In all, RFC disbursed a total of \$201,500,000 to the Export-Import Banks, consisting of \$176,500,000 in subscriptions for preferred stock and \$25 million in loans.

The Defense Homes Corp. was also financed by RFC under Executive order. RFC lent a total of \$65,692,000 to DHC, of which \$40,870,411 was outstanding when DHC was dissolved in 1949 and its assets transferred to RFC for liquidation. With the dissolution of RFC these assets, reduced to \$27,307,358, were transferred to FNMA.

The original RFC Act had authorized the Corporation to assist in financing the Federal home loan banks by providing up to \$125 million out of its capital to enable the Secretary of the Treasury to subscribe the stock of the banks, and \$124,741,000 had been disbursed for this purpose. Subsequently, in 1941, when the

public debt was approaching its limit, RFC ceased borrowing from the Treasury and issued its notes to the public, and with part of these funds bought the stock of the Federal home loan banks from the Secretary of the Treasury as a means of providing the Treasury with additional funds. RFC continued to hold this stock until 1947 when a portion of RFC's notes payable to the Secretary of the Treasury, equal to the amount of the stock involved was cancelled and the stock of the banks returned to the Treasury.

LOANS TO FOREIGN GOVERNMENTS

Several specific authorizations for loans to foreign governments were enacted, beginning with the Emergency Relief and Construction Act of 1932 which authorized loans to finance sales of agricultural surpluses in foreign markets. Under this authorization, a loan of \$17,105,386 was disbursed to the Republic of China in 1933. In 1941, RFC was authorized to make loans for the purpose of achieving the maximum dollar exchange value in the United States for the securities or property of any foreign government, and \$390 million was disbursed to Great Britain in the only instance in which this authority was used. In 1946 RFC was authorized to lend up to \$75 million to the Philippine Republic after consultation with the National Advisory Council on International Monetary and Financial Problems, and \$70 million was disbursed under this authorization.

DISASTER LOANS

RFC was first authorized to make disaster loans in March 1933 and its authority to make such loans—amended and broadened in 1934, 1937 and 1945—remained continuous until 1953 when, under the RFC Liquidation Act, its authority in this area was transferred to the Small Business Administration. The following table summarizes the activities of RFC and its affiliate, Disaster Loan Corporation, in this area according to legislative authority:

	Authorized				Authorized		
	Number	Amount	Disbursed		Number	Amount	Disbursed
Act of Mar. 23, 1933, as amended.....	13	\$10,450,232	\$8,529,108	Act of June 30, 1945, as amended.....	5,579	\$35,439,075	\$25,468,048
Act of Apr. 13, 1934, as amended.....	705	5,734,289	3,473,947	Total.....	30,385	88,985,256	68,825,653
Act of Feb. 11, 1937, as amended (DLC).....	24,088	37,361,660	31,354,550				

CIVIL DEFENSE LOANS

The Federal Civil Defense Act of 1950 authorized the RFC to make loans for civil defense purposes financed by borrowings from the Treasury. Seven loans were authorized in the amount of \$5,568,000, all for assistance in financing the construction of hospitals. In 1953 the program was transferred to the Secretary of the Treasury.

MINOR LENDING FUNCTIONS

LOANS FOR PAYMENT OF TEACHERS' SALARIES

For a period of 7 months in 1934, RFC was authorized to make loans to public school districts for teachers' salaries due prior to June 1, 1934. The authority was used only once. A loan of \$22,300,000 was disbursed to the Chicago Board of Education, all of which was repaid in 1934.

LOANS TO REFINANCE PUBLIC SCHOOL DISTRICT OPERATIONS

In 1935, RFC was authorized to make loans to tax-supported public school districts to reduce or refinance outstanding indebtedness incurred for construction, operation, and maintenance of public school facilities. The act required that such loans be allocated equitably among the States and that maturities be limited to 33 years. Under this authority, RFC authorized 35 loans to 31 school districts. Disbursements in the amount of \$957,175 were made in only two States, Arkansas and Texas, and were repaid in full.

LOANS TO PROCESSORS OR DISTRIBUTORS SUBJECT TO PROCESSING TAXES

The provisions of the Agricultural Adjustment Act of 1933, which provided for the payment of taxes by processors or

distributors of various agricultural products, also provided that processors or distributors subject to the taxes were eligible for loans from RFC in order to avoid the imposition of "any immediate undue financial burden." Only seven such loans were authorized and \$14,718 disbursed, all of which was repaid.

LOANS TO STATE FUNDS FOR SECURING REPAYMENT OF DEPOSITS OF PUBLIC MONEY

In 1933, RFC was authorized to make adequately secured loans to States creating funds to insure repayment of deposits of public moneys. The only authorizations were for loans to the Board of Deposits of Wisconsin. All of the \$13,064,631 disbursed was repaid.

FINANCING RFC'S WARTIME SUBSIDIARIES

Beginning in 1940, RFC's responsibilities were greatly enlarged by the

creation of eight subsidiaries to aid the Government in its national defense program. Through these subsidiaries, the Corporation was authorized to engage in financing plant conversion and construction, to acquire and construct and to own and operate war plant facilities, to make subsidy payments, to deal in and to stockpile strategic and critical materials, to administer the war damage insurance program, and to conduct a great variety of other activities unrelated to its normal lending operations. For the duration of the war, these operations overshadowed RFC's other functions, as much as 80 percent of its activity being related to the war effort.

Under the provisions of the act of June 30, 1945, RFC's wartime subsidiaries were merged with the parent organization. RFC received the assets of these corporations, but the original investments of \$7.6 billion were charged off and the Act of June 30, 1948 canceled the Corporation's notes payable to the Secretary of the Treasury in an amount equal to the unrecovered costs of its national defense, war, and reconversion activities. Three of the production programs which had been undertaken by RFC subsidiaries were, however, continued on an active basis after the war: The program for the production and sales of synthetic rubber undertaken by the Rubber Reserve Corp., the program for the production and sale of tin undertaken by the Metals Reserve Corp., and the program for the production and sale of abaca fiber undertaken by the Defense Supplies Corp.

The operations of RFC's wartime subsidiaries were conducted in conjunction with programs of other Government agencies administering national defense and wartime functions. They were, however, financed through the purchase of capital stock and loans by the parent corporation. While RFC was repaid for advances with funds provided by the operations of its subsidiaries, more than one-third of the amounts advanced were recovered by cancellation of RFC's notes payable to the Secretary of the Treasury.

U.S. ATTORNEY MORGENTHAU—A GREAT AMERICAN

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, every once in awhile Members of Congress have the fortunate opportunity to deal with public officials whose intelligence, ability, and efficient dedication to their assigned tasks clearly distinguishes them from all others. This kind of public servant is rarely accorded appropriate recognition in this age of sensational news stories of ineptitude, conflict of interest, and downright dishonesty of public officials.

Today, I pay tribute to a man whom I consider to be one of the most outstanding men in Government with whom I have dealt during my 40 years in the Congress, Mr. Robert Morgenthau, U.S. attorney for the southern district of New York.

There is no need to recount here his achievements in law enforcement since

he took office in 1961. His uncompromising and unrelenting prosecution of organized crime which is corrupting the very vitals of our society, his insistence on the highest standards of ethical conduct by public officials and employees, and the efficiently and inspired zeal of the office which he heads—the single most important law-enforcement office in the United States—have been well recognized and reported.

Although I had known him for a number of years, my first official contact came about as a result of the House Banking and Currency Committee's inquiry into the legal and economic impact of foreign banking procedures on the United States. His testimony was so impressive and his answers to the members' questions so direct and informative, that the continuation of this inquiry and legislative proposals limiting the illegal use of foreign bank facilities has a high priority status before our committee. I have included a copy of his statement at the end of these remarks.

It was my privilege to have worked with his illustrious father during the crisis-filled days when he was Secretary of the Treasury. I must say that Robert Morgenthau has carried forward and significantly added to the great contribution to this country by his family.

In recent months, since the change of administrations, there have been innumerable stories of pressures brought on Mr. Morgenthau for his resignation. We all know that political patronage has in the past extended to the office of U.S. attorney. This is unfortunate since these offices should be above the clear of political considerations. The confidence of the people would be far better served if the Federal prosecutors were selected on their ability to enforce the laws of the United States to the fullest extent without regard to any particular political aspect whatsoever.

President Nixon and the Attorney General now have a golden opportunity to once and for all sever the mark of political patronage from law enforcement. Through one simple act they can set a precedent which will serve as notice to all administrations to come that U.S. attorneys will be selected in accordance with a single standard—their ability to perform. They can do this through the magnificently simple act of announcing their intent to retain and support Robert Morgenthau in office.

At this point in the Record I insert a number of news stories and feature magazine articles about the illustrious career of this man:

STATEMENT OF ROBERT MORGENTHAU, U.S. ATTORNEY, BEFORE THE COMMITTEE ON BANKING AND CURRENCY, DECEMBER 9, 1968

Mr. MORGENTHAU. Thank you, Mr. Chairman. Mr. Chairman and members of the committee, I greatly appreciate being invited to appear before your committee.

Secret-numbered foreign bank accounts have become an ever increasingly widespread and versatile tool for the evasion of our laws and regulations and for the commission of crimes by American citizens and for hiding the fruits of crimes already committed.

There was a time when the secret-numbered Swiss account, for example, was an

instrument used only by relatively sophisticated financiers. That is no longer true today.

The jet age has taken millions of Americans to Europe for summer vacations. It has brought many of them to the doorsteps of the Swiss banks where a very large number have found that secret foreign banks are available readily to them for lucrative criminal purposes. Operating in the other direction, the jet age also brought to the United States numerous representatives of foreign banks. While many of these do only proper and legitimate banking business, there are others who come here to seek new accounts and service old ones which are maintained for criminal purposes alone. One "finder" for a Swiss bank went so far as to open accounts at the bank for many of his friends with an initial "Christmas present" deposit of \$50. The friends learned of the existence of their new accounts only on receiving the bank's Christmas card.

Foreign banks protected by secrecy laws now number among their American customers not only sophisticated international financial operators, but hoodlums from the world of organized crime, stock market swindlers and manipulators, corporate officers making illegal profits from their inside information, businessmen who hide profits from the tax authorities, and enormous numbers of stock market investors who through foreign banks evade income taxes on their trading profits. The latter group of ostensibly irreproachable citizens of the business community who have adopted foreign banks in preference to income taxes is now very large and represents a loss of tax revenues in the many millions of dollars.

For several years my office has investigated and studied numerous available sources of information. We have learned much about illegal uses of foreign banks by Americans. We have returned numerous indictments, and as the wealth of information we have accumulated is further increased and analyzed we expect that the number of criminal prosecutions will be accelerated. Even in the cases where we can successfully prosecute, it is necessary to spend thousands of man-hours in piecing together complex and seemingly unrelated transactions in order to obtain indirectly information that banks will not directly furnish us. But naturally, we have received virtually no cooperation from the foreign banks which hold the evidence of crime. Often we have had very complete information on criminal activity, but have been unable to prosecute because the foreign bankers would not furnish witnesses competent to introduce their banking documents into evidence. As a result it should be obvious that the increasing number of successfully prosecuted criminal cases represents only a small fraction of the crimes committed by Americans through secret foreign accounts.

Practically every Swiss bank, in addition to its deposit and credit banking activities also deals in securities for its customers. For dealing in American securities, these banks often maintain omnibus accounts at American brokerage houses. Through its account at the broker, a bank can trade the securities of all its customers without differentiation. So far as appears on domestic records, all the trades are made for the benefit of the foreign bank. No domestic record shows the identity of the principal for whom the bank acts or even distinguishes between trades for one principal and another. All activity is lumped together under the name of the foreign bank.

I would like to give you a few examples now, particularly of cases which are already closed. One which is a matter of public record is the *Gulf Coast Leaseholds* case, *United States v. Kelly*, 349 F. 2d 720 (2d Cir. 1965), certiorari denied, 384 U.S. 947 (1966).

There, no less than four "Liechtenstein trusts" holding Swiss bank accounts, operating under secrecy laws, were used by Ameri-

can promoters in a scheme to sell 750,000 shares of unregistered over-the-counter stock to the American public at prices that were manipulated to over \$16 a share. After the promoters had banked their money, the stock dropped to under a dollar. Each of the trusts used in the *Gulf Coast* case was American-owned, but had as the titular head a Swiss lawyer. The trusts were organized to maintain accounts in a Swiss bank for their American principals. Thus, the promoters of the stock fraud had a double line of defense: The Swiss secrecy laws prevented disclosure of the fact that the bank accounts which were receiving money from the sale of the stock were owned by the trusts; and the secrecy laws also prevented disclosure of the fact that the real principals of the trusts were Americans.

The trusts were used as follows: One of the American promoters, a person with a criminal record, who had been enjoined from trading stock in his own name, purchased in the name of his Liechtenstein trust 750,000 shares of worthless stock from an American company at a nominal price. At the time, the trust had assets of \$20.80. The trust then proceeded to sell the shares through American brokerage firms, which transmitted the proceeds of the sale to Swiss banks at which the trust had accounts. All told, on this investment more than \$4 million was realized by the American promoter, through his trust, on his investment of \$20.80. Part of the proceeds of the sale of the stock were passed from this trust to another trust, operating under Swiss secrecy laws, which served as the pocketbook for an investment advisory firm which plugged the stock in its market letter. The transfers between conspirators were accomplished by payments from one account at a Swiss bank to another, thus insuring maximum secrecy.

But the wall of secrecy which had been built around these operations collapsed. One of the defendants pleaded guilty and testified in detail as to how he had organized two trusts in order to get the benefit of the Swiss secrecy laws, and how he had assisted two of the other conspirators in forming a trust of their own to receive payoffs for their role in the fraud. The Swiss lawyer who was the titular head of two of the trusts gave testimony at trial, after being offered safe passage into the country. As a result, all of the defendants who had hidden behind the Swiss secrecy laws were convicted.

I might add, the trial of that case took 9 months, the second longest trial, I think, in the history of the Federal courts.

But success at piercing the Swiss secrecy laws is the exception, not the rule. The *Gulf Coast Leaseholds* case, illustrates the difficulties we are up against. Thus, before the indictment, the Swiss lawyer who ran two of the trusts, filed affidavits with governmental authorities conducting the investigation, stating that these trusts were not owned or controlled by Americans, even though he knew that these affidavits were false. When cross-examined about the affidavits at trial, he took the position that his duty to his American clients obligated him to make these false statements. As a result, the promoters of the stock fraud, during the period of the SEC's initial investigation, were able to use the Swiss secrecy laws as a shield behind which they could operate anonymously. By the time the secrecy had been dispelled, the public had been bilked of millions of dollars.

In other similar instances we have formed well-founded suspicions that foreign banks or trusts were used not only to defraud and to unload illegally unregistered control stock, but also to manipulate and artificially support the market. Generally, such activity cannot be proven without the cooperation and testimony either of one of the insiders to the conspiracy or of the foreign bank

which handled the order. Swiss banks have been used frequently to enable insiders to make illegal profits. We recently were able to prosecute successfully one such violator for the unreported sale of over a quarter of a million dollars in his company's securities, a company of which he was director and treasurer; \$500,000 of such securities had been held for him in the account of a Swiss bank at various New York banks. While they were held in this fashion, there was no evidence available in this country linking the insider to his securities. The transactions could eventually be traced to him only because he caused the securities to be transferred to another U.S. bank to serve as collateral for a loan he obtained at the second bank. Nonetheless, because of the shield of Swiss bank secrecy, many details concerning the transactions were not and probably will never be known.

We have reason to believe that foreign banks have been used extensively by citizens to violate the margin requirements which the Federal Reserve Board imposes on security trading. Regulation T requires a customer purchasing securities through a U.S. broker to put up in cash a very substantial portion of the purchase price—in recent years the requirement has generally fluctuated between 70 and 90 percent. A foreign bank maintaining a special omnibus account at an American broker may furnish to only 20-30-percent margin. However, such a foreign bank must file a statement describing itself as a broker-dealer under U.S. law and promising to comply with regulation T by requiring its customers to put up whatever percentage of the purchase price regulation T requires. However, we know that in many cases Swiss banks have failed to require their customers to comply in this way.

In one such instance our office recently filed a criminal complaint against the Arzi Bank, of Zurich, Switzerland, and one of its directors, Joseph Pfeffer. The complaint alleges that Pfeffer solicited American accounts for the Arzi Bank which purchased securities for its new customers requiring them to put up as little as 10 percent when regulation T, which the bank was sworn to observe, was requiring between 70- and 80-percent margin.

Another Swiss bank with an omnibus account at a New York brokerage firm, permitted an investor to trade on borrowed money far outside the margin requirements; at one point this single customer was using \$14 million to trade certain issues causing violent market fluctuations.

The ways in which foreign secret bank accounts are used to avoid income taxes are almost as numerous as the ways of earning money.

Persons who earn money abroad have the easiest and safest access to foreign banks as tax fraud havens. If the American businessman receives his earnings from a foreign source, he can deposit portions of it in a foreign bank and declare on his domestic income tax as much or as little of his true revenues as he chooses. There is small likelihood of detection if he keeps double books carefully. Businessmen who make purchases abroad for resale here frequently keep phony double books fraudulently inflating the foreign purchase price so as to decrease the apparent domestic profit. The seller kicks back the difference to the buyer's foreign account.

Salesmen earning commissions from U.S. manufacturers for sales overseas have sometimes worked out a slightly more complicated device, as exemplified in a recent indictment which our office obtained. These salesmen set up a dummy Liechtenstein trust with a Swiss Bank account. A Liechtenstein lawyer who serves as the chief executive of hundreds of such business trusts became the ostensible head of the foreign entity. The salesmen advised the U.S. manufacturers, and these

include some leading American manufacturers, that most of the selling work would be done for them in the future by the Liechtenstein company and directed that the major portion of the sales commissions earned should be sent to Liechtenstein rather than to the U.S. salesmen. This money was deposited by the Liechtenstein lawyer in the Swiss bank. In this manner, the U.S. taxpayers fraudulently evaded their income taxes on over \$3 million unreported income in just 3 years.

Of course, every kind of profit from trading in securities or commodities can be earned free of tax if the account through which the trading is conducted is in foreign bank protected by secrecy laws.

Numerous U.S. investors have undertaken to avoid taxes by making their trading profits through Swiss bank accounts. The investor need only open an account in Switzerland and cable or mail trading instructions. The bank maintains huge accounts with U.S. brokers and executes its orders each day through these brokers on the appropriate U.S. stock exchange. The U.S. broker has no indication of the identity of the Swiss bank's client.

This system is ideal for the investor seeking long-term growth, since the loss of a day in cabling his order to Switzerland and back to New York will not be of great significance to him.

Many New York brokers deal in such large volumes for Swiss banks that they either maintain open telex lines or talk on the telephone several times a day. It has therefore been arranged for the trader to deal with a broker—sometimes using a code name—and give his order to buy or sell X security. The broker arranges to receive immediately such an order from the Swiss bank and executes the order as if he had received it from Switzerland for an unknown customer of the Swiss bank. The broker's only written confirmation will go to Switzerland, but he can advise the trader by phone of the completed transaction. To facilitate such trading, the Swiss bank can maintain the trader's account as a subaccount at the broker rather than as part of its general account. Thus, the broker might have one account labeled bank X, and others labeled Bank X, subaccount 1, 2, 3, etc. He would still receive the ostensible orders covering these subaccounts from Switzerland and would have no records identifying the true owner of the account.

Where the tax evading trader is the U.S. broker himself, the evasion is even easier. An indictment now pending trial in my office charges two floor brokers of the American Stock Exchange with having evaded taxes on earnings of over \$1 million in 1957-60 by trading in New York for their own undisclosed account at the Swiss Credit Bank which was maintained in the name of a dummy.

Finally, many U.S. citizens operating cash businesses or businesses in which large amounts of cash are used can very easily hide a portion of their earnings in their foreign account with little possibility of detection. It is not difficult to get the money out of the country. When the amounts are sufficiently large, the Swiss banks have provided couriers who transport the cash itself. That is a service which has been used extensively by professional gamblers. Nor is it necessary for the courier to carry the money all the way to Switzerland. It is easier to take the money to Nassau, a half hour from Florida, where the Swiss banks have correspondent banks whose accounts are also protected by the secrecy laws. From there it is transferred to Switzerland.

It is not even necessary to go to so much trouble. Most of the large banks in major U.S. cities maintain a cable transfer service. A stranger can walk in off the streets to most of the major New York banks and present

large amounts of cash for cable transfer to the credit of a Swiss bank for credit for a stated account number or just for the general account of the Swiss bank. While the New York bank will generally ask his identity to fill out a currency report, a false name will not be checked, and we have checked literally dozens of these currency reports involving many millions of dollars, and have found in almost every case that a false name was used.

Ingenious ways have also been developed to permit the tax evader to have the use and enjoyment of the money he has concealed in a foreign bank, and Mr. Vinson has already discussed that and I won't go into any further details.

In some instances tax evaders will repatriate their secret foreign money by using it to buy their own local assets. In one investigated case, a real estate owner sold a valuable piece of property for nearly \$1 million to a Swiss trust which was the customer of a Swiss bank. The Swiss trust was, of course, his own. He thus received the use of a million dollars which otherwise he would have had to leave in hiding. Thereafter the real property was managed for him—in secret—by the Swiss bank and he gained further advantage of avoiding income taxes on the revenue produced by the real estate.

Foreign banks have been used by Americans to conceal many different kinds of violations of law. One case presented by my office involved a major U.S. manufacturer and exporter which diverted substantial foreign aid funds to a foreign purchaser to buy its products to pay secret kickbacks to the purchasing agent. The kickbacks were deposited in a numbered account in a bank in Geneva.

In another case, which is now pending in the U.S. District Court for the Southern District of New York, involving sale of transformers under AID financing at \$50, when the catalog price was \$25, documents have been uncovered indicating that the same type of abuse through Swiss banks is going on right now. A document obtained in this case from an exporting agent states that there was "payment and commissions . . . through the Swiss Credit Bank in New York and Geneva."

Swiss banks have also been used as a haven for stolen securities, including securities issued by the U.S. Treasury Department. An indictment filed in our court involved the theft of \$75,000 of Treasury bills from a securities firm in New York, of which \$50,000 subsequently appeared in the offices of a Swiss bank. Two defendants were convicted for the interstate and foreign transportation of these stolen Treasury bills. The Swiss bank, however, declined to send a witness to testify concerning these stolen securities at its office.

Our investigation has also disclosed that some foreign banks have played an integral and not always passive part in even the most flagrant frauds upon American citizens and corporations. For example, a recent indictment returned in the southern district of New York involves a Swiss bank, owned primarily by Americans, and an attempt to defraud one of our Nation's largest banks of nearly \$12 million. According to the indictment in that case, an employee of the U.S. bank was induced to send a forged and fraudulent cable to a correspondent of the U.S. bank in Geneva, directing it to transfer \$11,870,924 of the U.S. bank's funds to the other Swiss bank where a courier was waiting to pick up the funds. Luckily, an employee of the correspondent bank grew suspicious because of a technical irregularity in the cable and thwarted the scheme by asking the U.S. bank for a confirmation.

Another example of the type of fraudulent transaction that certain unscrupulous foreign banks have made available to their American customers is a device referred to as

the three-cornered window-dressing loan, involving a foreign bank, an affiliated "dummy" corporation usually located in the Caribbean area and an American borrower seeking fraudulently to "beef up" his balance sheet. I won't go into details of several of these transactions since the Chairman has already referred to them. I will say, though, that we discovered one such fraudulent transaction made by an American corporation at a time when it was in serious financial trouble. It was able to obtain new credit partially upon the basis of such a "beefed up" balance sheet. Shortly thereafter, however, it went bankrupt, and I might add that in that case the certified public accountants for the company sent a wire to the Panamanian bank in which the funds were on deposit to ask if these funds were free and clear, and the Panamanian bank sent back word that these funds were free and clear when in fact they were blocked and could not be removed from the bank. This publicly held corporation went bankrupt, but because of the applicable secrecy law, the fraud was not uncovered until after the statute of limitations had run.

Finally, we have found Swiss bank accounts used by diamond smugglers, loan sharks, policy operators and gambling casino operators to conceal illegal income and evade taxes. The problems which the use of foreign secret bank accounts creates for our national economy and for the enforcement of our laws is obviously vast.

In testifying today I have directed my remarks to law-enforcement problems created by the use of Swiss and other foreign banks. I do not intend to reflect adversely on the integrity of the vast majority of Swiss banks and bankers. Nor do I overlook the key role played by Swiss banks in the international money system. I believe, however, that there need be no conflict between the important role played by Swiss banks in international finance and the proper enforcement of the laws of the United States.

I therefore believe that the undertaking of this committee, with its vast experience and wisdom in matters of banking and currency, to investigate thoroughly this most troublesome area will be of great value to the Nation.

Chairman PATMAN. Thank you very much, Mr. Morgenthau.

Our next witness is Mr. Irving M. Pollack, Director of the Division of Trading and Markets of the Securities and Exchange Commission, accompanied by Mr. Mahlon Frankhauser of the SEC.

[From Business Week, Aug. 2, 1969]

WALL STREET'S CRIME-BUSTER WON'T BUDGE—U.S. ATTORNEY ROBERT M. MORGENTHAU, A CRUSADER AGAINST WALL STREET MISDOINGS, IS FIGHTING TO STAY IN OFFICE

Robert M. Morgenthau is a man of slight build whose baggy trousers make him look even smaller, and at times a bit clownish. But as U.S. Attorney for the Southern District of New York, his power is immense, and he has used it—as has no one in the post before him—to crack down on all sorts of misdoings on Wall Street as well as on other types of white-collar crime, such as income tax evasion, and on the Mafia.

For more than eight years he has been driven by a crusader philosophy, aiming to make the law more "even-handed." He says: "Slum kids have to feel something is being done about big business crime."

But Morgenthau is threatened. Unwilling to resign as most U.S. Attorneys do when the reins shift hands in Washington, Morgenthau, a Democrat, says he wants to complete his term, which ends in June, 1971. But New York Senators Jacob Javits and Charles E. Goodell, both Republicans, have proposed a replacement. And last month the Justice

Dept. established a special investigation unit on organized crime for the Manhattan and Bronx sectors of Morgenthau's bailiwick. The move has been interpreted by many as a maneuver to undercut his power.

All this comes despite last year's judgment by a Republican Congressional task force that Morgenthau should be retained.

If he can't hold out until his term expires, Morgenthau would like at least to stick around until he can dig deeper into investigations he has just started on consumer fraud and the use of secret Swiss bank accounts. "I'm not staying because I like the job, but because there are important things to be finished," he said, tightening his eyes and pursing his lips so that his 50-year-old face looks aged.

PARTIAL VACUUM?

If Morgenthau is forced out, there are some who feel a new watchdog might patrol Wall Street less zealously. With the U.S. Attorney's office so swamped with work, it would be easy to shift priorities. Partisans of this view also point to President Nixon's letter to Wall Street leaders last fall promising to ease up on heavy-handed regulation.

Virtually all the major criminal cases evolving out of the Street have stemmed from Southern District indictments under Morgenthau. He wasted no time to start his probes into Wall Street after his appointment by John Kennedy in 1961. "This was one of the areas I felt had been neglected. I probably have spent more of my personal time on it."

Morgenthau established a special securities fraud unit that soon began obtaining indictments. He now has 10 of his 73 assistants working in the securities area, five full time. They work along with 20-odd SEC investigators. In its first four years, the unit got six times as many indictments as the U.S. Attorney's office had between 1945 and 1960. To date, Morgenthau figures that individuals have been indicted in at least 80 different securities cases handled by his office.

POWER CENTER

The securities cases are tedious and among the most complex to try. They also pit Morgenthau's men against the top corporate lawyers in the country. About half of the indictments are prompted by SEC, the rest by special investigations of the attorney's office. Ordinarily, government agencies refer civil cases they want prosecuted to the Justice Dept., and most U.S. Attorneys have their hands full enough with the referrals.

Morgenthau's Southern District is unique, though. It has always been the most independent of the 93 U.S. Attorney's offices and the most powerful. "Bob has made the Southern District even more powerful and independent," says Peter Morrison, the first head of the securities fraud unit and now a partner of Segal & Morrison law firm. Usually, for instance, Washington handles the big cases for regional offices. The Southern District handles its own.

SHOWCASE

Morgenthau's supporters, in fact, contend that the prominence that Morgenthau's investigations draw is one reason that the Nixon Administration would like a Republican in his job.

Morgenthau, however, sees his job as non-partisan. His indictments indicate this. The list includes Raymond C. Deering, the treasurer of the Democratic State Committee; Louis Wolfson, a heavy Democratic contributor; Carmine DeSapio; and James Marcus, water commissioner for the Lindsay Administration. Indeed, in his unsuccessful bid for the New York governorship in 1962, he reportedly lacked support from many Democratic districts because of his nonpartisanism. "Many of the wards just sat on their hands because Bob had refused to give old-

fashioned favors," says a former assistant attorney under Morgenthau.

Says Morgenthau: "We don't have many rules around here. But one of them is, if there is any pressure to delay or kill an investigation, expedite it!" He does just that. Says Frank Tuerkheimer, current securities fraud unit head: "He's completely impervious to pressure—the worst thing someone can do for a client."

NEW AREAS

A more common complaint about Morgenthau is that he tests law in the criminal courts before it can be tested in the civil courts, where penalties are either fines or injunctions, and no jail sentences are involved. Indeed, Morgenthau's willingness to try untested principles and perhaps set precedents is one of his most controversial characteristics. "He's going into areas no one ever dreamed would be the subject of criminal action," says one lawyer. Morgenthau responds that in most such cases he is only bringing the first criminal action in an area already tested in civil law.

The case of Lybrand, Ross Bros. & Montgomery (box) was one that shocked many, particularly the accounting societies, which howled bitterly. The defense maintained that the accountants adhered to standard accounting practices in not disclosing the use made of a loan by a client company, Continental Vending Corp., to an affiliate. In the case, the prosecution charged—and the defense even agreed—that the bulk of a \$3.5-million loan to an affiliate, Valley Commercial Corp., ended up in the hands of Harold Roth, Continental president.

If the appeals courts sustain Morgenthau, it will make accountants criminally liable for certifying a misleading statement.

STREET SUPPORT

Most of Wall Street is behind Morgenthau's drive to keep the industry clean. Still, there are those who agree with the brokerage house partner who criticizes Morgenthau's zeal in test cases: "He is too excessively dogmatic without any strong rational reason behind his thinking."

Morgenthau, who doesn't claim many friends on Wall Street anyway, preferring to keep "an arm's length relationship," has caused a former chairman of the New York Stock Exchange to be indicted for income tax evasion.

Currently, Morgenthau is moving into untried waters with his Swiss bank account investigations which took a new turn this week with the indictment of Alfred M. Lerner, president of First Hanover Corp., for allegedly using Swiss bank accounts to cover up his holdings in several new issues his firm underwrote. Lerner describes the indictment as a "test case."

[From the New York Times, Dec. 20, 1967]

EXPERT ON THE MAFIA: ROBERT MORRIS MORGENTHAU

During Robert M. Morgenthau's unsuccessful campaign for Governor in 1962, he made an appearance at a small gathering in a lower Manhattan tavern. In keeping with Mr. Morgenthau's rather restrained temperament, it was a quiet affair at which he spent most of the time talking in subdued tones with small clusters of guests. At one point, a reporter walked in, got a drink and looked around the room, which still had about as much razzle-dazzle political atmosphere as a college faculty tea, even though the candidate had been there for half an hour.

"When is Morgenthau going to get here?" the reporter asked.

Famboyance, presence, dynamism—these, as the story suggests, are not the strong suits of the man who Monday announced one of

the most spectacular indictments in recent New York City history, that of James L. Marcus, the former Commissioner of Water Supply, Gas and Electricity, who has been a friend and confidant of Mayor Lindsay.

NEVER PROSECUTES CASES

Associates call him "an unspectacular man" "a quiet person" and a man "who leads a quiet life." They point out that although he has held the post of United States Attorney for the Southern District of New York for six years, he has never prosecuted one of his cases in a courtroom. But they are quick to add that he is a first rate administrator, industrious and persistent with a talent for getting along well with almost everyone.

"He's a man of few words," a fellow lawyer once said, "He'll give you a one-sentence answer where another would use three, but it will be complete."

One of Mr. Morgenthau's major current interests is the Mafia and organized crime, and he prides himself on having amassed what many consider to be more knowledge about the organized underworld than anyone in the metropolitan area.

To reinforce this knowledge, Mr. Morgenthau holds what his staff calls "sunrise seminars" about once a month. These are meetings—usually held at 8 A.M. or 8:30 A.M., before the normal day's work begins—at which Mr. Morgenthau and members of his staff exchange information about the progress of current investigations into Mafia activities.

Robert Morris Morgenthau was born in New York on July 31, 1919. His father, Henry Morgenthau, Jr. had been Secretary of the Treasury under President Franklin D. Roosevelt, and his paternal grandfather, Henry Morgenthau, Sr., had been Ambassador to Turkey in the Administration of Woodrow Wilson.

Shortly after his graduation from Amherst College in 1941, Mr. Morgenthau entered the Navy.

Mr. Morgenthau was discharged from the Navy, after 54 months of service—46 of them on active sea duty—as a lieutenant commander with two Bronze Stars earned for actions in the Mediterranean and Pacific. He then went to the Yale Law School, from which he was graduated in 1948. After being admitted to the New York bar, Mr. Morgenthau joined the law firm of Patterson, Belknap & Webb. He remained with the firm until 1961, when he resigned to become United States Attorney for the Southern District of New York.

The next year he left to run as the Democratic candidate for Governor. Shortly after losing that election to Nelson A. Rockefeller, Mr. Morgenthau was reappointed by President Kennedy to the United States Attorney's office and he has remained there since, where he has made himself an expert on the Mafia.

Mr. Morgenthau, a tall, thin man whose bespectacled face seems to bespeak shyness, lives with his wife, the former Martha Patridge, whom he married in December 1943, in a nine-room house overlooking the Hudson River in Riverdale, the Bronx. He and his wife have five children—four daughters and a son.

A relaxed man who works in shirtsleeves and sometimes takes off his shoes in his Foley Square office, Mr. Morgenthau puzzles associates by his apparent lack of determination to move from the United States Attorney's office to something bigger, such as a major judgeship.

"I have no definite political objectives," he once told an interviewer. "I'm sort of a fatalist. I figure you do the best job you can where you are and see what happens from there."

[From the New York Times, Mar. 21, 1969]
BANKS' HELP CITED BY U.S. ATTORNEY—FOREIGN ACCOUNTS INVOLVED IN STOCK-FRAUD CHARGES

(By Edward Ranzal)

Foreign banks have become "more cooperative generally"—though problems persist—during investigations of the use of secret foreign accounts to cover stock frauds in this country, United States Attorney Robert M. Morgenthau said yesterday.

He made the observation in connection with the indictment of six individuals and a Liechtenstein organization on charges of conspiring to sell unregistered securities on the American Stock Exchange through the use of secret accounts in Swiss and German banks.

Mr. Morgenthau said the investigation leading to the indictment had taken two years. Although there was a degree of cooperation from the foreign banks, he added, there still were "substantial problems."

In a 66-count indictment returned by a Federal grand jury here, the defendants also were accused of a worldwide effort to raise the price of VTR, Inc., by "touting" the stock in Europe and the Far East.

DEFENDANTS LISTED

The defendants are Alfred D. Laurence, Miami Beach; Joseph J. Lann, White Plains; Harold N. Leitman, Scarsdale; Medwin Benjamin, North Miami; Marvin Hayutin, 340 West 57th Street; Milton Rubin, Jacksonville, Fla.; and the Liechtenstein concern, Bartex.

The indictment charged that the conspiracy started in January, 1964, and ended six months later, during which VTR stock on the American exchange rose from \$5 to \$8 a share, and 85,000 unregistered shares were sold.

Mr. Morgenthau said that, during the six-month period, Mr. Leitman was president and chairman of VTR and a partner of the Leitman Company, a family partnership.

Mr. Lann, he continued, was president and chairman of Joseph J. Lann Securities, Inc., a broker-dealer; Mr. Laurence was a finder and promoter in the securities business.

Mr. Rubin was described as Mr. Leitman's brother-in-law; Mr. Benjamin was said to have touted and sold the unregistered shares and Hayutin, who is appealing a stock fraud conviction, allegedly established the Liechtenstein organization.

85,000 SHARES

At the time VTR was controlled by Mr. Leitman and Mr. Rubin, who arranged with Mr. Lann to sell 85,000 VTR shares in the name of Mr. Rubin and a nominee of Mr. Leitman, the indictment charged, Mr. Lann then allegedly asked Mr. Laurence to create a demand for VTR stock on the American exchange.

Meanwhile, an account was opened for Bartex at a German bank, to which the shares would be transferred from a Swiss bank, Mr. Morgenthau said.

Mr. Laurence then began a worldwide sales tour in which he allegedly gave "inside" information that major contracts and mergers with VTR were imminent, and that the stock would "triple" in six months. The indictment charged that this information was false.

Within six months, Assistant United States Attorney John H. Doyle 3d said, the 85,000 share were sold at a profit.

VTR, which, at one time, manufactured tires, was delisted several years ago and reorganized privately. In 1968, a new management took over VTR and elected a new board of directors as well as a new operating management, it was announced by Fredric H. Gould, president of VTR.

[From the Wall Street Journal, Apr. 23, 1969]
CRACKDOWN OF CONCEALMENT: MORE INDICTMENTS LOOM IN U.S. ASSAULT ON ILLEGAL USES OF SWISS BANK ACCOUNTS

(By Richard E. Rustin)

NEW YORK.—More Federal grand jury indictments may be headed up soon in the crackdown by the U.S. attorney's office here on American individuals and brokerage firms that allegedly use numbered Swiss bank accounts to hide stock-market profits and evade margin requirements and income taxes.

Sources familiar with the crackdown indicate the likelihood of at least three separate indictments soon charging New York brokerage houses with arranging improper loans for their customers through the camouflage of Swiss accounts.

Moreover, an additional packet of indictments may be aimed at U.S. corporate executives who allegedly have used numbered accounts to deal in the securities of their own companies, in apparent violation of Federal laws regulating transactions by "insiders."

At least one of those cases also involves a brokerage firm that, it's said, may be charged with having illegally purchased for its own account a block of a "hot" new issue that the firm helped underwrite.

A STRING OF INDICTMENTS

The Government crackdown, under U.S. Attorney Robert M. Morgenthau began to gather steam last winter. It already has produced a string of indictments against a number of U.S. businessmen, plus a guilty plea from a Zurich bank charged with violating U.S. margin, or stock credit regulations.

Government attorneys concede that a major stumbling block in their investigations has been Swiss law, which forbids disclosure of the identity of a holder of a numbered account. The law provides for jail terms for bankers revealing names of account holders, except under court order in criminal cases brought in Switzerland.

But, Mr. Morgenthau says, Federal investigators are dredging up an increasing lode of possibly incriminating data on this side of the Atlantic. He continues:

"We've been piecing things together here from the records of brokerage firms and American banks that are correspondents of some Swiss banks. It's a very slow and tedious business but we're beginning to put two and two together.

"Our office has been putting a lot of time into these cases. Essentially, it's our view that the public's confidence in law enforcement can be seriously undermined if a small segment of the population can evade taxes and violate other laws in this way."

POSSIBLE VIOLATIONS

There isn't any law barring a U.S. citizen from having a numbered bank account in Switzerland, or in any other locality offering such a service. However, an American could run afoul of various U.S. regulations if he used the account as a shield to hide stock-market or business profit, or to cover up stock transactions that he should have reported to U.S. authorities, such as the Securities and Exchange Commission.

Moreover, U.S. brokerage firms could be held accountable if they help their U.S. customers buy stocks through Swiss banks on easier credit terms than are allowable to investors here.

It's understood that the vanguard of the coming round of indictments will concentrate on such alleged violations by brokerage houses. Although Federal attorneys currently won't discuss those cases, Mr. Morgenthau laid some of the groundwork last December in testimony before the House Banking and Currency Committee. At the time, he said:

"We have reason to believe that foreign banks have been used extensively by (U.S.)

citizens to violate the margin requirements which the Federal Reserve Board imposes on security trading."

The board's Regulation T currently requires that an individual customer qualified to hold a margin account put up 80% of a stock's purchase price. However, a foreign bank with a special omnibus account at a U.S. brokerage house need make a down payment of only between 20% and 30%, provided that the bank files a statement pledging it will require its own clients to obey Regulation T.

Under an omnibus account, all orders are placed in the name of the bank, although the bank, of course, acts on behalf of its customers.

Apparently, there is evidence that some New York Brokerage houses are accepting orders on 20% or 30% margin directly from American investors, and then are covering their tracks by arranging with a Swiss bank to "enter" the order later from overseas.

Such a broker would violate Federal law because he would be filing a false report with the Government. In other words, he would be telling the Government that he executed a transaction for a foreign customer—in this case, a Swiss bank—while he really was executing it for an American.

TESTIMONY BEFORE HOUSE PANEL

"Many New York brokers deal in such large volume for Swiss banks that they either maintain open Telex lines or talk on the telephone (with them) several times a day," Mr. Morgenthau asserted before the House panel last year. "It has therefore been arranged for the trader to deal with a broker who corresponds with his Swiss bank. The trader can call the broker—sometimes using a code name—and give his order to buy or sell 'X' security."

"The broker sees to it that he receives immediately such an order from the Swiss bank and executes the order as if he had received it from Switzerland for an unknown customer of the Swiss bank. The broker's only written confirmation will go to Switzerland, but he can advise the trader by phone of the completed transaction."

Such an arrangement, Mr. Morgenthau noted, would be particularly advantageous "to the short-term tape watcher whose profits depend on immediate executions." And, of course, any profits would be shielded from the eyes of U.S. tax examiners.

There also apparently are indications that some U.S. investors with accounts at Swiss banks will soon be indicted for alleged evasion of the interest equalization tax. The 11½% tax is levied on Americans who buy foreign securities from foreigners. Fashioned as a weapon in the battle to better the U.S. balance-of-payments picture, the tax is designed to discourage the outflow of dollars from this country.

However, some Americans, seeing a lucrative foreign issue, apparently have been circumventing the tax by entering orders through their Swiss banks. On the surface, the transaction would appear to be initiated by a foreigner, not by an American.

BUYING A "HOT" ISSUE

Sources also say there may be at least one American brokerage house that will be implicated in an asserted scheme to illegally buy a "hot" domestic new issue for its own account. Under this scheme, the brokerage house which was an underwriter of the issue, allegedly "sold" a block of the stock to a Swiss bank as part of the initial distribution. In reality, it's suggested, the Swiss bank bought the stock for the brokerage house.

Several new issues have been in sharp demand lately because of their tendency to increase rapidly in value shortly after they are offered to the public. It's not uncommon for such an issue to double in price on the day it's publicly offered.

An underwriter making such a purchase would violate Federal securities law because the law requires that the underwriter disclose precisely how much of a new issue it's buying for its own account.

Moreover, there apparently is evidence that corporate "insiders"—officers, directors and persons owning 10% or more of a company's voting securities—also may have used similar methods to buy shares of their own companies' "hot" new issues. Depending on the circumstances, such persons could be accused of stock fraud, filing false registration and trading statements with the SEC and violation of an SEC rule requiring an insider to turn over to his company any short-term profits made from his dealings in his company's stock. Short-term profits are those made during a six-month period or less.

Likewise, some corporate executives may soon be indicted for allegedly purchasing through Swiss accounts securities of their own companies that are supposed to be offered exclusively to foreigners.

Many corporations, seeking additional sources of capital recently have been offering debenture issues overseas. Generally, those issues are particularly lucrative, because many of them can be converted into a company's common shares.

There are some observers who view the current campaign as an attempted valedictory by Mr. Morgenthau to his long tenure as U.S. Attorney for the Southern District of New York. Although Mr. Morgenthau, a Democrat, still has two years to serve in his current term, observers predict he would defer to President Nixon if Mr. Nixon wishes to place a Republican in the key post.

ACTION OF SWISS BANKS

The Swiss Bankers Association late last year cautioned its member banks to observe extreme circumspection in dealing with foreigners, especially Americans, lest "misunderstandings" damage the banks' reputations. The group issued certain guidelines, explaining that there had been "baseless" criticism of the banks, particularly in "misinformed" and "slanted" newspaper stories.

On the other hand, one financial community source recalls a conversation with an officer of a large Swiss bank. According to the source, the banker "was rather sarcastic about American brokers." He adds:

"The banker said the smartest broker was the one who set himself up in a certain Swiss border city where he had privacy, sunshine and the benefit of all the smugglers' business. He said that in Switzerland, to do business you have to be next to the frontiers, as all clients are smugglers in one way or another."

[From the New York Times, Feb. 2, 1969]

U.S. ATTORNEY FOR "NEW YORK SOUTH"

(By Victor S. Navasky)

Given the national obsession with "law and order" it is surprising that more attention has not been paid to the men who define the law and enforce it, the nation's prosecutors. President-elect Richard M. Nixon has promised to get rid of our first civil-libertarian Attorney General, but he has yet to tell us what a good prosecutor ought to do, what qualities he should possess, what cases he should bring. This is a significant omission since, in addition to the Attorney General, Mr. Nixon will also appoint 93 United States Attorneys, whose mandate goes all the way back to the Judiciary Act of 1789, some 80 years before there even was a Department of Justice.

Traditionally, the job of U.S. Attorney is considered a patronage plum, a jumping-off point for a political career, basic training for a judicial appointment. But, as S. M. Hobbs wrote in *The Alabama Law Review* 20 years ago, the job is more than that: "It is scarcely

an exaggeration to say that in his untrammelled discretion in deciding when and whether to file an information or press for an indictment, when and whether to enter a nolle prosequi or to 'bargain' with an accused—or more broadly when and whether to prosecute—[the prosecutor] has 'the scope for tyranny of a Venetian doge.'"

Of today's 93 U.S. Attorneyships, none is more powerful, more autonomous, more respected or more coveted than the job of U.S. Attorney for the Southern District of New York. This is partly because of the size of the office (he has 73 Assistant U.S. Attorneys working for him as compared with one for the U.S. Attorney from Wyoming), partly because of case load (he handles about 10 per cent of all the criminal cases in the Federal courts), partly because of the independent tradition of "New York South," and partly because of the high-principled, belligerent incumbent, Robert M. Morgenthau, originally appointed from the Bronx by J.F.K. in 1961 over the late Congressman Charlie Buckley's initial objections (he relented when the Kennedy threatened to bring in William Gaud, now A.I.D. administrator, from Connecticut), reappointed in 1963 after his unsuccessful race for Governor, and reappointed again by L.B.J. in 1967, despite the widely rumored desire of the President to replace him with Ed Weisl Jr., an Assistant Attorney General who also happened to be the son of the President's old friend and Democratic National Committeeman from New York, Edwin L. Weisl. In 1965, when Attorney General Ramsey Clark asked for evaluations of U.S. Attorneys as part of a talent search, he recalls, "Bob Morgenthau was at or right near the top of everybody's list."

Unlike members of the Cabinet, U.S. Attorneys do not, explicitly serve at the President's pleasure. Normally this is irrelevant since a U.S. Attorney's four-year term is concurrent with that of the President who appointed him. But because of Morgenthau's gubernatorial adventure and consequent off-year appointments, the charter which hangs on the wall of his spacious office on the fourth floor of the U.S. Court House in Foley Square states in no uncertain terms that, having been confirmed by the Senate, his term of office runs till June 1971. When I asked if he had resignation plans, he said, "My current thinking is that if they didn't want me I probably wouldn't stay and I might not stay anyway, but I'm kind of a believer in not crossing bridges till you have to. What I'm concerned about now is that there are a lot of important cases and investigations pending."

The high probability is that Nixon will want to get his own man in the job. The outside possibility is that, consistent with Nixon's unity theme and the nonpartisan nature of Morgenthau's tenure, he will retain Democrat Morgenthau on a trial basis. The far-out possibility is that Morgenthau will refuse to step down, at least until he has cleaned up a number of big cases. They include the recent widely publicized indictment of the financier-lawyer Roy Cohn on 10 counts, the crackdown on American investors using secret Swiss bank accounts and cases expected momentarily to break in organized crime.

What would happen in the unlikely event of a showdown between Morgenthau and Mr. Nixon is uncertain. The law reads: "Each United States Attorney is subject to removal by the President." When an Eisenhower appointee, Elliot L. Richardson, then U.S. Attorney and now Attorney General of Massachusetts, declined to resign after Kennedy's election, the Justice Department dug up a Supreme Court precedent which convinced Richardson that the President has the right to appoint his own man. Some jurists, however, believe that under case law the President can fire a U.S. Attorney only for cause.

It should not be forgotten that when L.B.J.

became President, Morgenthau was one of the few U.S. Attorneys who did not turn in his resignation. And Attorney General Clark recalls what happened when he telephoned Morgenthau to sound him out on a Federal judgeship: "He told me he felt a deep obligation to his office and his people and he was in the middle of so many things so important to him that he didn't think he would want to be considered for the bench at that time."

The only time Morgenthau ever indicated a willingness to give up the job was when he did—to run for Governor against Rockefeller in 1962. He lost. Since few observers ever gave Morgenthau a chance, I asked why he ran in the first place. "You mean why was I such a damn fool?" he said. "I knew it was a long shot but I thought, 'How often in a lifetime do you—does anybody—get that kind of opportunity?' So I thought it was worth trying. I didn't count on the complete disarray of the Democratic party, the divisive fight we had in Syracuse, and I didn't count on the Cuban missile crisis. People just weren't listening to anything else. But I thought the weaknesses in Rockefeller's record ought to be brought to public attention and they'd be good issues to campaign on."

Regardless of how long he stays on the job, it is worth taking a look at Morgenthau's stewardship of New York South, for at a time when the Supreme Court is under attack as soft on defendants, and the law-enforcement establishment is under attack (less visibly, to be sure) as insufficiently sensitive to individual rights and liberties, here is a man who has managed to retain his image as a liberal without undermining his reputation as a prosecutor. Indeed, despite the air of absent-minded, preoccupied academic which hovers around his 49-year-old grayish hair, prominent nose and pursed lips (which often seem to be fighting off an incipient smile), the recurring adjective in descriptions by friend and foe alike is "tough."

An official from Justice recalls, "When I first met him I remember thinking, 'My God, we've made a mistake. How is this Casper Milquetoast going to withstand the pressure?' Then we had lunch, and I watched him destroy the carefully laid plans of an Assistant Attorney General who came down from Washington fully expecting to assume control over a category of cases that are handled from Washington everywhere but in New York South. He left with empty hands and I knew we had nothing to fear."

"Bob wouldn't hesitate to send his own mother up the river," says one of his admirers from the Kennedy Administration, "that is, if he thought she was guilty. Of course, he would disqualify himself as an 'interested party,' but he'd see that the processes of justice were carried through."

Shortly after he assumed office, Morgenthau was visited by a Congressman who announced "urgent" business. He had, he said, a "constituent" who was charged with violating the Trading with the Enemy Act (he had been importing hog bristles from Communist China), and would the new U.S. Attorney "kick it around" for a few months? "I'm not asking that he be let off, or anything like that, just that you kick it around for a while." The new U.S. Attorney kicked it around for about as long as it took the Congressman to get out the door, called Silvio Mollo (the career attorney he eventually promoted to Chief Assistant, normally a post reserved for party patronage), and three days later they brought an indictment. "You could at least have postponed it for 30 days so I could earn my fee," the Congressman fumed over the telephone. Looking back, Morgenthau thinks it was fortunate that this incident happened early: "Word gets around on what you can get away with."

"Bob has an instinctive hatred for the fixers, the wheeler-dealers, the promoters, the men with connections," recalls a friend and

former Assistant U.S. Attorney. Indeed, this is one of the qualities which informs his liberalism, and complements his idea that the best way a prosecutor can reinforce respect for law among the poor is by keeping close tabs on the rich.

Morgenthau's liberal reputation comes not from any ultra-humanitarianism (although he seems the essence of decency, is an active president of the Police Athletic League, serves as an adviser to the New York School of Social Work, etc.), nor from any overt evidence that once he leaves office he will become a card-carrying member of the American Civil Liberties Union. To the contrary, the so-called hot issues of criminal law—confessions, right to counsel, search and seizure—are things with which he has not really concerned himself. "Frankly," he says, "they pose more problems for local law-enforcement agencies than for us."

In fact, he flunks almost all the standard libertarian litmus tests. Legalized wiretapping? "There are two things to be said about wiretapping," he replies. "One, it is some invasion of privacy. There is no doubt about that. But everything government does in a civilized society, from your birth certificate through the Wasserman test and the driver's license, involves some invasion of privacy, so it's a question of degree whether this is a greater invasion than society wants to tolerate. The other proposition is that it's certainly some help to law-enforcement people. You have to weigh these values—as to whether you want to help law enforcement or protect individual rights."

Sympathetic treatment of draft resisters? "When a kid in New York South refuses induction, they arrest him on the spot," says Henry di Suvero of the National Emergency Civil Liberties Committee. "At the request of the U.S. Attorney's office there's high bail set, so in reality a kid is given the choice—the Army or jail. In the Eastern District they proceed by indictment, which means that you don't go to jail—there is time between the act and the arrest, and then the court automatically assigns counsel."

When I asked Morgenthau about this practice he said he was not aware of it, but would investigate. And after he had talked with those responsible, this is what he told me: "This policy is consistent with the general principle that when you have a clear-cut crime—say an agent sees a truck about to be hijacked—you arrest on the spot. This is a case of a clear-cut crime in your presence. If a truck has already been hijacked, then you indict before a grand jury. On the draft card burning business, we don't arrest because it's not clear-cut. Is it his draft card? Is he draftable? Etc. But when a man doesn't take that step forward, he has committed a crime. Actually, something like 80 per cent end up reporting and the complaint is dismissed. It's good from the draftee's standpoint because if a man is indicted he has a criminal record and that's serious; but it's bad from the protest organization's standpoint."

Censorship? His office devotes hundreds of valuable man-hours to protecting the citizens of the judicial district from imported art movies like "I Am Curious—Yellow." (The Appeals Court has reversed a finding of obscenity stating that "under standards established by the Supreme Court the showing of the picture cannot be prohibited.")

Sensitivity to free-speech problems? Helen Bittenwieser, Morgenthau's cousin, recalls that when she posted bail for convicted Soviet spy Robert Soblen (none of New York's bail bondsmen would accept the collateral his family had raised), "Bob's office tried to prevent me from putting up the \$100,000 bail and the excuse they used was foolish. They suggested that my money came from Communist sources. Bob knew very well I had the money to put up. Actually, I put up \$30,000, another individual put up \$30,000 and Sob-

len's family and friends put up \$40,000. Anyway, at the hearing Vince Broderick, Bob's chief assistant, asked questions like: Had I represented Alger Hiss? Did I belong to the National Lawyers' Guild? As the Court pointed out, these questions were irrelevant. I never talked to Bob about it because I thought it would embarrass him. But now when I see Vince Broderick I say, "Why the hell didn't you win?" (Soblen jumped ball and Mrs. Buttenwieser forfeited her money.)

On matters of concern to civil libertarians, then, Morgenthau seems an essentially conventional prosecutor, not initiating but tolerating occasional prosecutorial excess. After the latest Cohn case broke and Cohn charged Morgenthau with abuse of process, I asked Prof. Norman Dorsen, of the N.Y.U. Law School and vice chairman of the board of directors of the American Civil Liberties Union, whether he thought Cohn's charges were credible, and he replied: "While I have not studied them in detail, it is interesting to note that a grand jury composed of his fellow citizens indicted him. And Morgenthau generally represents the finest kind of prosecutor—sensitive to individual liberties and fair procedures as well as the responsibility of his office to secure conviction."

Morgenthau's unique contribution has been to go beyond those Siamese-twin enemies of all enlightened law enforcement—organized crime and labor racketeering—and engage in an almost quixotic crusade against the white-collar untouchables, the Wall Street wheelers and dealers, the corporate criminals. Traditionally, the U.S. Attorney takes cases as they are referred to him by Government agencies which are in effect his clients. Under this system, it is the clients—the Federal Bureau of Investigation, the Secret Service, the Postal Inspection Service, the Narcotics Bureau, the Immigration and Naturalization Service, the Selective Service—which make policy. "The referring agencies can make you or break you," says an Assistant U.S. Attorney, "because most of the big cases have concurrent jurisdiction. So if they don't like you, they'll give it to another office." But in the area of corporate crime, Morgenthau has reversed the conventional flow of business and has initiated cases rather than merely received them.

His quaint notion is that since the underprivileged tend to regard law as an enemy, going after the men at the top is a useful way to demonstrate that law can be an ally. "I feel," he says, "that the people who hold positions of power or trust and violate them are probably a more serious danger to a democratic society than organized crime or crime in the streets. I also think that the ability or inability of government to deal with this kind of crime has a substantial bearing on how the public, particularly the underprivileged public, regards law enforcement. If he knows that the big man in the community is in the policy racket, drives a Cadillac and pays off the cops, then a man is justified in concluding that law enforcement is only for suckers."

Among the institutions he has taken on in his almost naive determination to demonstrate that nobody, no matter how well connected, rich or powerful, is above the law, are the president of the New York Stock Exchange (for alleged tax fraud); the Internal Revenue Service (for bribery and corruption; more than 170 employees were indicted); financier Louis Wolfson, a major Democratic campaign contributor ("You can't believe how many phone calls we had trying to pull us off," said an Assistant U.S. Attorney); the Post Office the No. 2 man in the New York region was convicted of perjury, and the top officers of Local 32-E, the 10,000-man union which controls all of the building superintendents in the Bronx, and which was notorious for its terrorist tactics and its close

ties to Buckley's Bronx Democratic machine. (After the indictment, union officials, who had always booked two or three tables at the county dinner told Buckley: "No more tables. If you can't control your own U.S. Attorney, why should we take tables?")

For knowingly certifying a fraudulent balance sheet he indicted the top officers of Lybrand, Ross Bros. & Montgomery, one of the eight largest accounting firms in the country. He made headlines when he indicted and convicted the high-flying Water Commissioner of the Lindsay Administration, James L. Marcus, despite the fact that District Attorney Frank S. Hogan, who was onto the case earlier, had not yet found enough evidence to prosecute. ("It takes guts to go after a Marcus," observes one member of the office. "Now everybody knows he's guilty. But then he was a pillar of the community. If one witness reneges, the whole case caves in and the Establishment has tagged you as an irresponsible headline hunter.")

This list seems endless, including the executive vice president of Manufacturers Hanover Trust, the treasurer of the Democratic State Committee, and, of course, most recently, Roy Cohn, who once served as an Assistant U.S. Attorney in New York South, prosecuting Julius and Ethel Rosenberg for passing atomic secrets to the Russians. Cohn is the kind of man who, it is said, receives a box of cigars each Christmas from J. Edgar Hoover, was thrown a 45th birthday party by Terence J. Cooke, now Archbishop of New York, enjoys financial relationships with Senator Everett Dirksen's administrative assistant and Senator Edward Long's son-in-law, pals around with the heir to the Newhouse newspaper chain, and generally mingles with the high and the mighty. The powerful chairman of the Senate Judiciary Committee, Senator James Eastland, is a Cohn partisan.

When Morgenthau several years ago unsuccessfully brought charges against Cohn (who has been in and out of court ever since, most recently on charges of mail and wire fraud, false filing with the S.E.C. and conspiring to pay a state court official \$75,000). Cohn told the press that Morgenthau was retaliating against him for his role in embarrassing Morgenthau's father, Henry Morgenthau Jr., F.D.R.'s Secretary of the Treasury. He said, "When I was first in the Justice Department and then chief counsel to the Senate subcommittee, it was my duty to investigate Soviet infiltration in the Treasury Department. It dealt with the delivery of United States occupation currency plates given to Russia at the direction of Mr. Morgenthau Sr. [sic] on the advice of Harry Dexter White."

"I have no personal malice toward Morgenthau Sr.," Mr. Cohn continued. "I never met him. But Morgenthau Jr. has harbored a feeling about this. I say somebody up there just doesn't like me."

A few weeks ago, on the occasion of his latest indictment, he repeated these charges of vendetta and supplemented them with a bill of particulars in which he alleged that Morgenthau had spent more than \$1-million in taxpayers' money, interrogated more than 700 Cohn friends, enemies and employees, and issued more than 1,000 subpoenas requiring production of books and records.

Because Morgenthau has cases pending against Cohn, he is reluctant to respond to Cohn's charges of abuse of process other than to state that, "based on the information brought to our attention, we would have been derelict in our duty if we hadn't conducted the investigation of the Fifth Avenue Coach Lines, Inc., that led to the present indictment." He adds that bringing someone before a grand jury is not an abuse of process. "If we had misused the grand jury, we knew perfectly well he could have come in to quash the subpoena," says Morgenthau.

To the charge that he is out to get Cohn, he says: "I am not out to get anybody." He points out that Cohn was still in law school when Harry Dexter White died after testifying before Congress, and says: "My father was never called before the McCarthy subcommittee, was never interrogated by them, and if he was investigated by Roy Cohn, he never knew anything about it and, until Cohn's statements, neither did I. I might add I never felt it was necessary to vindicate my father's reputation." In any event, he goes on to note: "A man is not immune from prosecution merely because a United States Attorney happens not to like him."

In a way, the Cohn case raises again the old legal-ethics sticker: Is there anything wrong with prosecuting known public enemies on minor charges, going after an Al Capone for income-tax evasion? Morgenthau's answer is clear, although he insists it has nothing to do with the Government's prosecution of Cohn. "There's nothing wrong with making cases against people in positions of responsibility, people in the public eye."

"You have to be selective. We don't have enough personnel to investigate and bring cases against everybody who violates the law. When your criminal intelligence tells you that a man is a public menace you have an obligation to investigate him."

"Everyone knew Capone was a bootlegger and a major criminal, and so I see nothing wrong in prosecuting him."

"That doesn't mean bringing him up on charges of jaywalking and, of course, it doesn't give you the right to railroad anybody. And bear in mind: Under Federal practice, every safeguard is afforded a defendant, whether the prosecutor wants to put him away or not."

A man who has known Morgenthau for 10 years says: "The Harry Dexter White thing has nothing to do with Bob's prosecution of Cohn. To him Cohn is a hot-shot, *nouveau riche* parvenu. If anything, that has more to do with it."

"I never understood him until I read Felix Frankfurter's reminiscences about Bob's grandfather, who was Wilson's Ambassador to Turkey. He had a plan to win the First World War by detaching Turkey from Germany and Austria. Nothing was going to stop him. Bob has some of the same stubbornness. He doesn't look at a case like a normal prosecutor: 'How will it look in court? What are our realistic chances of winning?' He's like a client in the sense that these fellows are crooks and he knows it and everybody knows it and he's not going to let them get away with it. Also, the fact that he's not a trial lawyer [he has not tried a single case as U.S. Attorney] makes him more rigid in terms of dealings with defense counsel. He tends to go by the book." Another associate observes: "Only a man with the security of his family background could operate the way he does."

Without generalizing from family background, it makes sense that, having watched his father (a gentleman farmer who published an agricultural paper before he became Secretary of the Treasury) move among the financial titans of the world, he would not find the specter of great wealth intimidating. And surely his exposure to the German-Jewish "Our Crowd" milieu cannot be entirely irrelevant, despite his marriage to a Midwesterner reared as a Unitarian, the former Martha Patridge. The Morgenthau family bring up their four daughters (one a retarded child, is at the Lochland School in Geneva, N.Y.) and 11-year-old son, Robert P., as Jews and, when he was a student at Yale Law, his classmate, now Yale Law dean, Louis Pollak, remembers: "Bob and his friend Mitch Cooper 'infiltrated'—that's the only word for it—Corby Court [an exclusive eating club]. Not that they could have cared less about getting in for reasons of status. But once in, they changed it"—which is Dean Pollak's genteel way of saying they quietly but actively re-

cruited other Jewish students and once and for all ended the gentiles only policy.

But it would be a mistake to equate the atmosphere evoked in Stephen Birmingham's best seller with Robert Morgenthau's world outlook. A better indication of his life style is provided by Steuart Pittman, a Morgenthau contemporary who was a fellow resident of Peter Cooper Village when they were both young attorneys in New York. Like so many other friends, Mr. Pittman, now a Washington lawyer, remarks on the contrast between Morgenthau's proper exterior and the free spirit it masks. He recalls late one night "walking along the tops of cars with Bob on lower Broadway, while our wives kept up on the sidewalk. Also, I have a vague recollection that he was the guy he used to roller-skate to work with. It took 46 minutes to fight the subway. This solution to the transportation problem was awkward only because of the reaction in the elevator at 15 Broad Street, where they had never seen two properly attired lawyers with roller skates slung over their backs, so as not to scratch the attaché cases."

Quasi-aristocratic family background may help account for Morgenthau's intolerance of fat cats and corporate arrivistes, but the equally distinguished background of his judicial district, New York South, helps account for his ability to do anything about it. Only an office with a tradition of independence from Washington would permit the freedom of maneuver Morgenthau's efforts require. According to a recent Yale doctoral dissertation by James Eisenstein, the over-all trend for U.S. Attorneys is "the progressive loss of autonomy to the Attorney General and the Department of Justice." New York South is the exception.

Its tradition of independence, while not unbroken, extends back at least to 1906, when a young Harvard lawyer who was earning \$1,000 a year with a private firm was offered a chance to make \$250 less. He later recalled: "I had a call from the U.S. Attorney's office that the U.S. Attorney wanted to see me. I use these words because that's what I was going to see—the U.S. Attorney. He had no name for me." The young man was Felix Frankfurter (he took the job), and the U.S. Attorney was Henry L. Stimson, who went on to become Secretary of State.

Stimson's contribution to the autonomy of the office was reflected in his reply to President Theodore Roosevelt's aide, who came to visit him to urge speedy indictment of a financial speculator whom the press was blaming for the bank panic of 1907. When asked how long it would be before the man went to trial, he replied (according to Frankfurter's "Reminiscences"): "I don't know how long that would take. I have no idea. . . . When the evidence is all in, if it warrants my so advising the grand jury, I shall advise them to find an indictment. Now that'll take I don't know how long. You tell the President that is the way I shall proceed and if that seems too dilatory to him and he wants some other action, then of course it's in his power to remove me and get some other United States Attorney."

The tradition did not establish itself without trouble. One old-timer recalls: "When Judge J. Edward Lumbard became U.S. Attorney [1953] the office was filled with political hacks, and so he announced: 'Gentlemen, to the victors belong the spoils,' and proceeded to can everybody but [one man]."

By the time Morgenthau arrived he found the caliber so high that he fired nobody, urged the best to stay on and further depoliticized the office (and antagonized some local clubhouses) by hiring without regard to party, which may help account for the *esprit*—rare in Government circles—which characterizes the office. For four recent open-

ings there were 17 applicants, all of whom had clerked for Federal judges. Two of those hired had clerked for U.S. Supreme Court Justices. "They come for the public service," says Morgenthau, "for the experience and for the tremendous responsibility." "It looks better on a résumé to have worked in New York Southern than any other prosecutor's office in the country," says an assistant. Morgenthau is proud that he has lengthened the average assistant's stay from two and a half years to four years, and that he has raised the level of prior experience: Except for summer internes, he no longer hires men directly after law school.

Not that an office staffed with elite-on-the-make is an unmixed blessing. As an attorney with a civil-liberties organization observes: "In Morgenthau's office they wear their self-righteousness on their sleeves. We get along better with the Eastern District. Morgenthau's guys are arrogant. They're from the top of the class, with Wall Street ahead or behind. They think of themselves as high-caliber types, and that means they quickly develop disdain for criminal lawyers. It shows."

Part of Morgenthau's ability to attract top talent is the implicit promise that his men will be able to try big cases—cases which in other jurisdictions are handled in Washington. Last February, when Henry Peterson of the Justice Department's Organized Crime Section announced the formation of a special unit to crack down on Mafia infiltration of legitimate businesses, he said it would commence operations in New Jersey, Philadelphia, Miami and Boston. Asked about New York, he replied that Morgenthau already had a 10-member staff working on organized crime. It was this Special Prosecutions Unit, in fact, which uncovered (and convicted) Joseph Valachi. At last count, Morgenthau's office had convicted 52 members of the Luchese, Genevese, Bambino, Bonanno and Profaci families, and eight others were pending trial.

"It was through our interest in organized crime and Tony Corallo (of the Luchese family) that we stumbled onto the Marcus case," says Morgenthau of his office's most famous conviction—which has literally involved him in collision with the office of District Attorney Hogan, a confrontation which could have considerable impact on the F.B.I.'s entire informant system, not to mention the two prosecutors' offices.

In brief, Morgenthau indicated and convicted Marcus on evidence provided by one Herbert Itkin, a self-confessed F.B.I. informant. But Itkin is what might be characterized as a "method informant"—i.e., he participated in some of the transactions about which he informed. As a result, District Attorney Hogan's office is ready to prosecute Itkin.

If Itkin was telling the truth, he could probably make more cases for the Government (the number has been estimated as high as 50 to 100) against people as influential as Carmine DeSapio, the former Tammany Hall leader, whom he accused on the witness stand of bribing Marcus on behalf of Consolidated Edison. So, though nobody likes to talk about it, Morgenthau's office is opposed to Hogan's trying Itkin, whose price for making more cases is presumably immunity from prosecution. The F.B.I. is also opposed to prosecuting Itkin—since if it can't guarantee informants immunity (not to mention anonymity), why should any insider agree to inform?

Hogan's critics charge, among other things, that, by prosecuting Itkin, he would be spared the unpleasantness of prosecuting DeSapio, who engineered Hogan's 1958 senatorial nomination. But Hogan's supporters claim he has an obligation to try Itkin since he has evidence against him. If the F.B.I. informant system suffers along the way, so

be it. In fact, they argue against the whole concept of an intelligence-gathering network which by implication involves the subsidy of criminal informants. They add that Morgenthau should have turned over the headline-making case to the D.A.

Morgenthau's people, in turn, point out that more than half the cases they bring involve concurrent jurisdiction with the D.A.'s office; that, especially in bribery cases, "you can't usually get the family doctor or the local clergyman as a witness—you have to deal with some pretty shady characters," and that, given the choice between prosecuting a valued informant or a highly visible public figure who may have abused the public trust, the ends of law enforcement are better served by undertaking the latter. As Morgenthau puts it, "These (bribery) cases have a real impact on what goes on in the ghetto."

Try to get Morgenthau to talk of future plans, and he will talk excitedly about his latest batch of cases, which the day I happened by, involved the work of the newly established Consumer Fraud Unit. He told me how they have made history by indicting process servers for discarding summonses instead of serving them, a practice known as "sewer service." "The victims," he says, "are most often Negroes and Puerto Ricans who have their wages garnisheed or their escrow deposits removed because they failed to show up in court to answer summonses which they have never received. It's been going on for years and nobody has ever done anything about it before." As he talks quietly but passionately on the injustice of the situation, one notices on the top of his 2-inch in-box pile an announcement of the New York State Association of Process Serving Agencies, Inc. It reads:

"For years our association has been crying wolf! The wolf is now inside the house!"

"We are facing the worse crisis our industry has ever experienced! Five men have already been indicted [sic] by a Federal grand jury and the continuing investigation may very well bring forth many more. . . ."

Richard Nixon and his new Attorney General may be forgiven if they are right now selecting Morgenthau's replacement. That's what elections are all about. But it is ironic that, if Mr. Nixon does the expected and puts his own man into New York South, the three happiest men in town could easily turn out to be three lifelong Democrats—Roy Cohn, who charges vendetta Louis Wolfson, whose counsel visited Washington unsuccessfully charging abuse of prosecutor's discretion, and Carmine DeSapio, who has not been indicted, but who cannot have heard Itkin's testimony in the Marcus case with equanimity.

ROBERT M. MORGENTHAU: THE QUIET MAN WHO MOLESTS THE MAFIA (By Edward O'Neill)

He wears an illustrious name; seven short years ago he was the Democratic candidate for Governor of New York State; he is the nation's leading Federal prosecutor and racket-buster whose office has sent more than 100 leading mobsters to prison; the Mafia fears him with a passion. And, paradoxically, he can walk anywhere in New York City and not be recognized by his fellow New Yorkers.

He is Robert Morris Morgenthau, a tall, thin, scholarly-looking man who unobtrusively serves as the United States Attorney for the Southern District of New York, the nation's most important district law office.

This district is the pressure cooker. Here is where the action is. Here is an area that encompasses the richest, most populous, most complex and challenging chunks of real estate in the country. It includes all the gold of Wall Street, the skyscrapers of Manhat-

tan, the riches of suburbia, the United Nations—a vast vortex where millions of people move about each day.

It is the giant magnet that attracts wealth, wields power, position and prestige, has served as a breeding ground for colorful Alfred E. Smith, flamboyant Thomas E. Dewey, history-making Franklin D. Roosevelt, glamorous Nelson A. Rockefeller, charismatic John V. Lindsay.

Set against this backdrop, Robert Morgenthau is an enigma. He moves about quietly, plays everything in low key, forsakes the limelight and moves with deadly efficiency. And yet, this shy man and his 73-man office have for the past eight years scourged the Mafia, decimated its ranks, sent it reeling in disorganized retreat and shipped its leaders off to jail with startling success.

More than 100 kingpins of organized crime have been convicted by Morgenthau for a variety of crimes including such mob-size gambits as narcotics pushing, ball jumping, theft, extortion, conspiracy to obtain kickbacks for union welfare funds, interstate gambling, bribery, stock fraud, counterfeiting.

Ironically, this is more than triple the number of successful prosecutions that enabled the country's most memorable crime-buster, Thomas E. Dewey, to zoom to the political top.

Unless unforeseeable lightning strikes, Bob Morgenthau himself would agree that—triple prosecuting success notwithstanding—a Tom Dewey-like political future is just about out of reach. "A Dewey I'm not," he'll concede with a ready smile whose warmth catches a visitor by surprise. "I go by the theory that if I run this office well and get results, the future—political or otherwise—will take care of itself."

How well he runs his office can be attested to by the reputation he's established with law enforcement officials everywhere who rate him tops.

One high New York police official tells us: "Don't let Bob's quiet manner fool you. When he gets onto a case, he won't let go. He himself is a tremendous lawyer and he's assembled a staff of young assistants who know what to do and how to do it. And, most important, they get complete backing from their boss."

Usually laconic F.B.I. men who work with the "New York South" U.S. Attorney's office are also hairtrigger quick to heap praise on Morgenthau. As one told us: "He's great. We love to work with him . . . Bob's compiled just about the highest conviction rate in the country. When his boys come into court, the cases are well prepared and airtight. He's also one of the top authorities on organized crime in the country."

The records, as dispassionate as their maker, verify this judgment. Here's a partial compilation of successes against the underworld:

Morgenthau's office has sent away 40 members of the Mafia "family" once headed by the late, notorious Vito Genovese, including superboss Sam Accardi who received a 15-year sentence for narcotics and ball jumping. Torn apart and squabbling among themselves, the "family's" survivors harbor a flattering hate for Morgenthau.

Well down on the list of Genovese-mob convictions is perhaps one of the most famous or infamous, depending on what side you're on—names in organized crime, Joseph Valachi, who was sent away for 15 years on a narcotics conviction in 1962. This is the same Valachi who, convinced that Genovese had ordered his death in prison, became Big Crime's greatest informer of all time. His revelations shocked the country and still serve as springboards for obtaining other mob convictions. It was from Valachi that a stunned nation learned about the exist-

ence of the Mafia's private name, the Cosa Nostra.

Morgenthau's office uses the Cosa Nostra's own family identification system. Every "family" is identified by name with a complete listing of underbosses (Caporegimes) and rank-and-file hit men and gangsters (Buttons). In this way—and these lists are kept up to date—the office keeps a close surveillance on the mobs and remains an ever-threatening nemesis.

Other "families" have been hit by Morgenthau's troops. The Gambinos lost 18 Buttons, the Lucheses 21, including Consigliere Vincent Rao (5 years, perjury) and Caporegimes John Ormento (40 years, narcotics), Tony Corallo (2 years, obstruction of justice, and 3 years, conspiracy) and Johnny Dlo (5 years, bankruptcy fraud). The Bonanos count five among the missing, the Profaci-Magliocco-Colombo combine five, the Maggadinos three, and the Patriarcas two. And, as Morgenthau grimly points out, "We're far from finished with these guys."

The continuing battle with Big Crime provides the sensationalism, but the U.S. Attorney for the Southern District of New York has a myriad of other responsibilities.

Since Morgenthau took over in 1961, on appointment by then-President John F. Kennedy, the office case load has set a record every year. Over the past year, Morgenthau & Co. handled more than 1,000 criminal cases and 1,200 civil matters.

Office jurisdiction extends over two counties of New York City (New York and the Bronx) and nine contiguous upstate counties (Westchester, Ulster, Sullivan, Rockland, Putnam, Orange, Greene, Dutchess and Columbia). Morgenthau and his staff process trials involving billions of dollars annually. One single matter now pending, for instance, involves a contest over a corporation tax refund amounting to \$127 million. The Southern District is the largest of the 93 in the nation; it is also most powerful, enjoys more autonomy, handles more than 10 per cent of all the criminal cases heard in Federal courts and has the largest staff—73 assistants, as compared to one Western state which has only one.

Unlike some of his predecessors and contemporaries, Morgenthau—"a tremendous lawyer," his aides assert—does not himself try cases, even those sure-fire ones great for publicity.

He explains it this way: "No man can run an office this size and handle trials himself. It just can't be done. The publicity would be nice, I guess, but I wouldn't be able to get the job done."

"This way, I can stay on top of all the cases. I confer with the men handling the individual matters, get their reports, make my suggestions and everybody is a hell of a lot better off."

This penchant of Morgenthau's for letting his staff operate professionally has had a signal effect on the quality of the men he's been able to attract into government legal service.

They're young, aggressive and confident. And they know Morgenthau's policy gives them a chance to make a name for themselves—an important consideration to an ambitious lawyer with an eye on the future.

A visit to Morgenthau's oval office in the U.S. Court House Building on New York's Foley Square gives the viewer a quick insight into the powerful but quiet, low-key climate that prevails.

Morgenthau, in shirt-sleeves, sits behind his big desk. The walls reflect the man and his life—two warmly inscribed pictures of the late Senator Robert F. Kennedy, two others of the late President Kennedy, one of them a shot taken in Buffalo of JFK and himself (then a candidate for Governor) together.

There are also pictures of his father, Henry Morgenthau Jr. (President Roosevelt's Secretary of the Treasury), Roosevelt, former President Johnson, ex-Secretary of War Robert Patterson (Morgenthau practiced law and became a partner in his law firm), ex-Attorney General Ramsey Clark and a framed picture of his own swearing-in as U.S. Attorney.

Bob, a Democratic holdover in the Nixon administration, smiles at the recollection of a recent visit by a Department of Justice boss, a Republican from Texas.

Bob: "When he saw all these Democratic pictures, he looked puzzled. I could almost hear him saying to himself, 'What-in-hell is this guy doing here?'"

On another wall there are pictures of the three destroyers that Morgenthau served on during World War II. He'll talk warmly about two of them, the U.S.S. *Landsdale* and the U.S.S. *Bauer*. The *Landsdale* was sunk from under him in the Mediterranean when a German JU-88 plane slipped a torpedo into its side; the *Bauer* was hit by a Japanese Kamikaze plane off Okinawa but managed to make port with an unexploded 500-pound bomb in its bow. Bob came out of the war a Lt. Commander with two Bronze Stars.

On an average day, Morgenthau will see a continuing line of from one to six assistants who are working on various cases. The conversation is usually short, restrained, professional and warm, reflecting close personal rapport between the U.S. Attorney and his staff.

His comments: "How's it going? . . . Did you try? . . . Why not go after it this way? . . . No, don't leave anyone out. Get 'em all! . . . Where's that brief?"

Periodically, Morgenthau and the entire staff hold a general meeting, a combination work session and coffee klatsch scheduled in the morning before the start of business.

"It helps give all of us a look at the big picture," he smiles.

To the utter disgust of New York City's clubhouse politicians, Morgenthau runs his office on a strictly nonpolitical basis. His men, he explains, are hired on their ability and keep their jobs by demonstrated performance.

His hatred for would-be fixers is almost legendary. The mere fact that an unwary congressman or senator might blunder into his office with a request is all Bob needs to order his men to redouble their efforts on the case at hand.

"That doesn't happen much any more," he notes. "I guess they all got the message."

This, coupled by his refusal to recognize anyone as a sacred cow, or be awed by a would-be target's high station in life, has built an aura of tough, single-minded, stubborn independence around Morgenthau. Love him, or hate him, there's no question about the fact that all respect him.

His determined efforts to firmly establish his office's reputation for incorruptibility have paid off.

Morgenthau has grabbed the Chairman of the Board of the New York Stock Exchange (for alleged tax refund), indicted over 100 employees of the Internal Revenue Service and an equal number of lawyers and accountants, won convictions on financier Louis Wolfson (a major campaign contributor to the Democratic Party), a top Post Office official, key labor leaders, the Treasurer of the New York State Democratic Party and New York City Water Commissioner James Marcus for taking kickbacks on a reservoir-cleaning contract.

He's stung former Tammany Hall boss Carmine De Sapio with a series of investigations, publicly gone after nearby Wall Street titans in the course of probing the growing infiltration of that bastion of finance by mobsters and sent three foreign ambassadors

away for long prison terms for their part in smuggling drugs into this country under the protection of their diplomatic immunity. Arrest of the diplomats, by the way, was the key move in the destruction of what had been a \$200-million international drug ring and resulted in the jailing of a dozen top U.S. gangsters.

His dogged pursuit of famed attorney Roy Cohn (three indictments over a period of years on charges of bribery, extortion, violations of S.E.C. regulations, blackmail) catapulted Morgenthau himself into headlines recently. In a smashing attack, Cohn charged Morgenthau with staging "a personal vendetta" and "harassment," assertedly because Cohn had once investigated Morgenthau's father.

Cohn claims that his probe at that time concerned charges of Soviet infiltration into the Treasury Department when the elder Morgenthau was Treasury Secretary and the delivery of U.S. occupancy currency plates to Russia. When Cohn aired his charges in court, the Morgenthau reaction was typical. He fought down the urge to personally make a rebuttal. Instead, one of his aides handled the defense and came in with a documented answer so lengthy that the brief weighed one-and-a-quarter pounds. The Cohn trial is scheduled for the fall.

Morgenthau, refusing to discuss the case, did manage to get off this beauty: "A man is not immune from prosecution merely because a U.S. Attorney happens not to like him." He also says: "If Cohn investigated my father, he never knew it and neither did I."

Oddly enough, the three generations of Morgenthaus who have made so many contributions of significance to the country all had their lives changed due to their friendships with U.S. Presidents.

Bob's grandfather, Henry Morgenthau Sr., a wealthy lawyer and real-estate investor, was both friend and confidant of President Woodrow Wilson, who appointed him Ambassador to Turkey. His dad, Henry Morgenthau Jr., imbued with the family's love of the soil, bought several farms in Dutchess County, near Hyde Park, where he met a neighbor named Franklin D. Roosevelt. He also bought and published *The American Agriculturist*, a national farm journal.

The two men, registered Democrats in a sea of Republicanism, became close friends. As Governor of New York, Roosevelt appointed the father of the State Agriculture Commission. As President, Roosevelt brought Morgenthau to Washington, first as Governor of the Farm Credit Administration, then as Under Secretary of the Treasury under William H. Woodin. When Woodin left, Morgenthau moved up to Secretary.

Bob, who never mingled in the Washington scene, nevertheless met a young man in Hyannisport, Mass., in 1937 when he was 16. That young man was John F. Kennedy. As Bob recalls, "Jack was a couple years older than I, but we sailed in the same races and on one or two occasions I was invited to the Kennedy home to watch movies. I don't remember Bobby, who was much younger. I do remember Joe and the girls. Teddy, of course, was a baby."

Bob notes, "Jack and I weren't bosom buddy friends, but we did meet occasionally in later years."

When Kennedy made his 1960 bid for President, Morgenthau went to Washington to enlist in the campaign. He became Chairman of the Bronx Citizens Committee for JFK and worked for Jack's nomination at the Democratic convention in Los Angeles.

After the election, the President offered Morgenthau the U.S. Attorney job over the stringent objections of the late Congressman Charles Buckley, crusty Bronx leader at the time. Buckley wanted a tried and true organization man and blocked the appointment of Morgenthau until Kennedy threat-

ened to give the post to a Connecticut Democrat. At that, with a few subsiding bristles, Buckley relented and O.K.'d Morgenthau.

The next year, Bob resigned from the office to run for Governor against the redoubtable incumbent Republican, Nelson A. Rockefeller. He won the nomination—with the Kennedys running the interference—but lost the election. His shyness, apparent uneasiness in front of campaign crowds and politically-too-quiet demeanor were insurmountable drawbacks.

Shortly after the election, Bob received a phone call from Kennedy. "Wanna go back as U.S. Attorney?" the President asked. Bob said "Yes"—eagerly. He was formally reappointed three weeks later.

As a recent visitor to Morgenthau's office pointed out, "If every voter had a chance to meet him in private and see his warmth and good humor firsthand, he'd have been elected easily. He just never let the people of New York discover that he was a hell of a guy."

At 49, Morgenthau still maintains the same outward public appearance—quietly shy, dignified, thin-lipped and bespectacled. After prep school, Bob graduated from Amherst with an A.B. degree in 1941. Following a 54-month stint in the Navy (46 of those months in combat), he went to Yale Law School and graduated in 1948 after a two-year cram course.

He married Martha Pattridge—a Midwesterner—in 1943. The couple reside in a rambling 11-room house in the pleasantly wooded Riverdale section of the Bronx with four of their five children:

Joan (Jenny), 24, is now studying for her master's degree at the Columbia School of Urban Planning; Anne, 22, is a senior at Radcliffe; Bobby, 12, is a sixth grader at Fieldston School and Barbara, 6, is also a Fieldston student.

Another child, Eleanor, 17, is retarded. She has resided for a number of years at the Lockland School, Geneva, N.Y.

Morgenthau, despite his full working day, has surrounded himself with other interests. He is President of the Police Athletic League, is active as a trustee or member of various Jewish organizations, including the Federation of Jewish Philanthropies of New York, the United Jewish Appeal and the Y.M.-Y.W.H.A. and pursues a lively interest in his profession as a member of all Bar associations.

The law, in fact, is his passion. He is an active and hard-working member of an advisory committee to reform Federal criminal laws. After a year and a half's work, the committee's final report will be ready soon. Among other things, that report is expected to bring about the first major recodification of Federal laws in several decades.

What about the future? Morgenthau's term runs until June 1971 but President Nixon may yet seek to replace him with a Republican. His reasons for not ushering himself out of office with a resignation are interesting:

"I do not plan to publicly concede that the office of U.S. Attorney is a political office. That demeans all of us; besides, we have many important cases coming up and I'd like to see them through."

"Besides, I don't like the idea of being a resigned officeholder hanging around and waiting for somebody to drop the other shoe. It undercuts the man, saps his authority and invites wrongdoers to delay things in hopes of getting a softer successor to deal with."

Morgenthau's solid background as a practicing lawyer—a fact that has bolstered his insistence on independence—gives reasonable assurance that he'll be able to make a substantial living. The fact that he needs that living surprises everyone, since anyone with the name Morgenthau is presumed to be a person of great wealth.

To the brash question, "Are you a millionaire?" Bob quickly replies, "No." Then he explains:

"When my father became Secretary of the Treasury, he took a post that traditionally has gone to men of immense wealth. Hence, the general belief that I have immense wealth. Oh, I won't starve (again, that unexpectedly quick and warm smile), but the financial tycoon idea just isn't so—in my case."

There remains one incontrovertible truth. Robert Morris Morgenthau is, for the moment, the U.S. Attorney for the Southern District of New York—and several hundred gangsters, in and out of prison, fervently wish he weren't.

BANK RATES NOT THE BORROWER'S BEST FRIEND

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, the American people have been the victims of a financial hypnosis which has led them to believe that in borrowing money or financing a purchase, they will be charged a lower interest rate by those institutions which advertise "bank rates." The talk of bank rates as being lower than other rates is a myth that should be exploded.

Perhaps one of the most interesting examples of how the term "bank rates" is used to entice borrowers is contained in a letter sent by the treasurer of the Roanoke General Electric Employees Federal Credit Union to Mr. Eugene Farley, managing director of the Virginia Credit Union League. The letter follows:

ROANOKE GENERAL ELECTRIC
EMPLOYEES FEDERAL CREDIT UNION,
Salem, Va., May 7, 1969.

Mr. EUGENE H. FARLEY, Jr.,
Managing Director, Virginia Credit Union
League, Lynchburg, Va.

DEAR GENE: A credit union member was just in my office with this story. I had little to offer him but sympathy, but perhaps his story will stress the importance of better education for our members.

In January of this year, he purchased a new car from a local reputable new car dealer. He was told when he purchased the car that he would have to finance the car through the dealer or he could not buy it at the price offered. He had wanted to finance it through the credit union.

The dealer took the financing contract and then placed the contract at one of our local banks. The contract reads like this:

Amount financed	\$2,452.40
Interest—36 months	497.29
Life insurance	91.23

Total 3,040.92

Payments are \$84.47 per month for 36 months. The loan was made on January 14, 1969 and the first payment was due February 28, 1969. Along about the middle of February our member decided he would borrow the money from the credit union and pay off the bank. He went to the bank on February 20, 1969 (37 days after the date of the loan) and was told that the pay off would be \$2,671.38—that's \$218.98 more than he borrowed. Of course, he didn't pay it off.

He has since made three payments on the loan amounting to a total of \$253.41. He went to the bank today to find out how much the

pay off would be. They told him the pay off as of today was \$2,497.81—still more than he borrowed.

Gene, that's bank financing that we hear so much about. Sort of makes you glad to be a credit union member, doesn't it?

Sincerely,

C. W. LAWRENCE,
Treasurer/Manager.

After obtaining a copy of the letter, I did some checking with credit unions and found that if the gentleman who had financed his car with the bank had, instead, financed the automobile with his credit union, he would not have been charged \$218.98 for the use of the money for 37 days but instead he would have only been charged \$37.52. Thus, the bank charged 589 percent more for the loan than the credit union would have charged.

It is no wonder, Mr. Speaker, that more than 20 million Americans are members of credit unions. These people know that they just cannot afford "bank rates."

HIGHWAY SAFETY: COMMENTARY NO. 12

(Mr. CLEVELAND asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, recently, an article appeared in the Daily Eagle published in Claremont, N.H., concerning the use of computers to make highways safer for motorists. As this article points out, the Bureau of Public Roads has undertaken a test program to determine the effectiveness of using computers to signal cars when it is safe to pass another vehicle.

An innovation such as this, if proven effective, might be a life saver, especially in the less populated, mountainous areas of the country where curves and hills are prevalent. I wish to commend the Bureau for its initiative in trying to find ways to achieve highway safety.

The article follows:

HIGHWAY SAFETY A LA COMPUTER

Is it safe to pass the car ahead of you when you can't see what's coming?

Ask a computer.

This can't be done—at least not quite yet. But soon there'll be a 15-mile stretch of experimental highway equipped with sensors and computers designed to promote greater safety for motorists.

This may sound like a vision of the far future—but it isn't.

Work is due to start within a month on a \$1.5 million federal project, pioneered by the Bureau of Public Roads. By 1971 this project will have equipped a stretch of two-lane highway with an electronic system to aid motorists in passing.

Site of the project is U.S. Route 2, near Newport, Maine, somewhere between Bangor and Skowhegan, we're told. Here an installation of sophisticated equipment will advise a motorist of the time available to pass whenever his view of the highway ahead is obstructed by a slow-moving vehicle.

Signals may be observed either on car receivers or on roadside displays at selected points along the computerized route.

This isn't, as we understand, a full-scale computer takeover. The driver, guided by advice from the electronic system, still can make his own decision and act upon it.

But there's only a short step between this and the complete computerized control of traffic predicted by far-out forecasters of tomorrow's electronic world.

How soon?

Goodness knows.

INFANT MORTALITY AND THE ABM—A CORRELATION

(Mrs. MINK asked and was given permission to extend her remarks at this point in the Record, and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, all of us who are concerned with the ABM, MIRV, and other dangerous escalations of the arms race are opposing these weapons because they could lead to the ultimate destruction of the human race.

Evidence has been gathered indicating that the testing of nuclear weaponry is already having an effect on unborn infants, in some cases killing fetal humans before they are born. A correlation between nuclear weapons tests and rising infant and fetal mortality is reported in an article by Prof. Ernest J. Sternglass in the April 1969 issue of the Bulletin of Atomic Scientists.

Prof. Ernest J. Sternglass is a member of the department of radiation physics at the University of Pittsburgh. In the forthcoming September issue of Esquire, Professor Sternglass expands on his scholarly treatment of this alarming subject in an article titled "The Death of All Children." This article discusses the direct threat of massive, if not total, infant mortality that threatens our very existence.

As a mother and as a human being I strongly protest a national policy which could lead to the extermination of the human race. Professor Sternglass writes:

In view of new evidence on the totally unexpected action of strontium 90 on human reproductive cells, it is apparent that Congress has not yet considered what may well be the most important factor affecting its decision to proceed or not to proceed with the first steps toward the ABM shield. The fact is this: a full-scale ABM system, protecting the United States against a Soviet first strike, could, if successful, cause the extinction of the human race. (Indeed, the scientific evidence indicates that already at least one of three children, who died before their first birthdays in America in the 1960s, may have died as a result of peacetime nuclear testing.)

Because of the importance of Dr. Sternglass' article in relation to our debate on the ABM and my colleagues' interest in preserving human life, I include both articles at this point in the Record. [From the Bulletin of the Atomic Scientists, April 1969]

INFANT MORTALITY AND NUCLEAR TESTS

(By Ernest J. Sternglass)

(NOTE.—Can infant and fetal mortality in the United States be correlated with nuclear weapons tests? Professor Sternglass offers data for a close correlation between a leveling off in the decline of the fetal and infant mortality rates in the high rainfall areas in 1951-52 and the onset of the Nevada nuclear weapons tests in the atmosphere. A similar correlation exists for the onset of hydrogen bomb tests in the Pacific in 1954, according to the data. Professor Sternglass is a member of the Department of Radiology

and Division of Radiation Health, University of Pittsburgh.)

Mounting evidence that there exists no threshold below which radiation is incapable of producing somatic and genetic effects in man suggests that especially for the sensitive embryo, fetus and infant, even relatively low-level doses from peacetime fallout may lead to detectable increases in death rates when data on very large population groups are examined.

That such effects on the developing human embryo may in fact be observable was initially suggested by the data on fetal death rates in the Albany-Troy, N.Y. area following the rain-out of radioactive debris from a 43-kiloton test in Nevada in April 1953. Examination of these data shows that the decline of the fetal death rate changed to a much lower slope, within a period of a year or two. It remained at this lower value until 1966 even though the measured external gamma radiation dose to the population was only 0.1 rad over a period of some ten weeks following the rain-out from the passing radioactive dust-cloud. Since this incident was also followed by an increase in childhood leukemia beginning some five years later accompanied by a shift in age distribution towards older age at death known to be characteristic of radiogenic cases, the data appeared to be suggestive of a possible causal connection between the rate of change of the fetal death rate and the arrival of the fallout.

It was therefore of interest to see whether changes in fetal death rate appeared not only in the Albany-Troy area but also in New York State as a whole, and whether subsequent tests are also reflected in changes of the fetal mortality.

In New York State as a whole, the fetal death rate began to deviate from the 1935-50 rate of decline in 1951, the year that atmospheric weapons tests began at the Nevada test-site. The rate of decline slowed from the 1935-50 value, after which the death rate started to change sharply, leveling off at about 23 per 1,000 live births between 1957 and 1963. In 1964, it increased sharply to 27.3 per 1,000 live births, declining somewhat in 1965 and 1966.

In contrast to this anomalous behavior, the fetal death rate for California, which received less fallout from the Nevada test, maintained its steady decline, although a decrease in the rate of decline became evident beginning within two to three years after the onset of hydrogen bomb tests in the Pacific in 1954.

CHARTING THE CONNECTION

In order to see whether the sharp rise in the fetal death rate in New York State might be connected with the accumulated fallout from weapons testing, the excess of the fetal mortality over the value expected if the 1935-50 rate of decline had persisted was plotted against the cumulative Strontium-90 deposited in the New York area.

It is seen that except for the first few years of testing in Nevada when short-lived isotopes rather than the long-lived Strontium-90 were dominant, the fetal death rate follows the same general pattern as the accumulated Strontium-90 on the ground. The two curves show the same decrease in rate of climb coincident with the temporary stoppage of nuclear testing in 1958 to 1961, and the sharp rise beginning with the large USSR test series in 1961. Two years after the test-ban in 1963, both the fetal death rate and the radioactivity in the environment once again began to decline.

A similar pattern in the registered fetal death rate or rate of still-births exists in the data for the United States as a whole for all periods of gestation up to nine months. Again, there is a steady rate of decline, which levels off in 1951-52, coincident with the on-

set of nuclear weapons testing at the Nevada test-site in 1951.

The first actual rise in the fetal death rate occurred in 1954, when the first large hydrogen weapons were tested in the Pacific. A second rise took place in 1961, at the same time as the onset of large megaton weapons by the USSR in that year.

In order to see whether the pattern of infant mortality rates for infants up to one year of age in the United States also shows such as association with nuclear weapons testing, the infant mortality rates for various states, differing in precipitation and therefore fallout accumulation, were also investigated. The results were examined for typical large "wet" metropolitan states known to have received substantial amounts of fallout together with rural southern states that also have heavy rainfalls and lie to the east of the New Mexico and Nevada test-sites, as well as "dry" rural states in the West, largely free from New Mexico and Nevada fallout due to the low rainfall and the direction of the prevailing westerly winds at high altitudes.

The expected synchronous onset of change occurred in infant mortality rates for all four Northern metropolitan "wet" states in 1951, the same year that atmosphere tests in Nevada were begun.

The rural "wet" states of the Southeast show a generally similar pattern, but with indications of a leveling trend setting in somewhat earlier, or within one to two years after the first relatively "dirty" surface A-test in New Mexico in 1945. This detonation was followed by a series of five relatively "dirty" surface tests in the Pacific in 1946 and 1948, all of which occurred in the southern latitudes (11° N). As a result, the narrow belt of tropospheric radioactivity, typically 30° wide, reached primarily the southern part of the United States (25-35° N), where it came down in rough proportion to the annual rainfall.

CONDITION IN WEST

As expected, the "dry" rural states of the West, especially New Mexico which lies to the south of Nevada, do not show this leveling of the mortality rates either after the first tests in 1945-48 or in 1951. Instead, the rates continue to decline steadily and only when the stratospheric debris from the large hydrogen weapons tests begins to be introduced into the atmosphere does one see a leveling-off, beginning first in the mountain states of Idaho and Colorado in 1954, and later in Wyoming and New Mexico in 1958.

The data on infant mortality for the United States as a whole (plotted in Fig. 3) show a pattern similar to that for fetal mortality, with a strong leveling trend evident by the early 50's, after a steady decline that had persisted since the beginning of the century. That no "natural lower limit" had been reached in the attainable rate is proven by the fact that within two years following the test-ban of 1963, the infant mortality rate resumed its decline at a rate approaching that prevailing prior to the onset of large-scale atmospheric testing.

The nonexistence of a natural plateau of 20 to 25 per 1,000 live births is further substantiated by the fact that in six European countries with advanced medical care comparable to that in the United States, the infant mortality continued downward so that the rates in all these countries fell below that of the United States by 1964, despite a leveling trend in these countries that began in the late 50's with the onset of large hydrogen weapons testing by the United States, the United Kingdom and the U.S.S.R.

The lowest value, that for Sweden, reached 14.2 by 1964, when the U.S. rate was still 24.8 per 1,000 live births. Such a rate represents an excess of 75 per cent relative to that for Sweden, and an excess of 60 per cent relative

to the expected U.S. rate of 15.5 had the infant mortality continued to decline at the 1935 to 1950 rate of decrease when the decline closely paralleled that for Sweden.

High radiation sensitivity of the fetus and infant have been determined both from animal studies and the effect of X-rays in man. This sensitivity results from the rapid cell division and organ formation characteristic of the early phases of development. It is therefore to be expected that the first serious effects of fallout would appear in the fetus and young infant, for which existing measurements show very much higher organ and skeletal doses than for the adult.

GENETIC DAMAGE

It has also been observed (in a study by K. G. Luning and his coworkers in Sweden, published in 1963) that Strontium-90, aside from concentrating in the bone, also appears to produce genetic damage, which expresses itself in excess fetal deaths when injected into the male parent animal prior to reproduction. Furthermore, the doubling dose for chromosomal damage to human cells may be as low as 1 rad (as recently discussed by J. V. Neel). This is consistent with recent evidence for an increase in childhood leukemia many years after the irradiation of either parent at diagnostic X-ray levels (observed in a study carried out by S. Graham and his co-investigators at Roswell Park Memorial Institute). These findings suggest that both excess fetal and infant deaths are primarily due to chromosomal damage produced just prior to conception or in the earliest phases of development. No other explanation of the decrease in the rate of decline for infant mortality in the United States, as compared to other countries of equally low mortality rates, has so far been found.

Public health organizations have made a world-wide effort to understand the origin of this disturbing trend that has by now started to affect the entire world. As it was put in a recent book devoted to this problem by S. Shapiro, E. R. Schlesinger and R. E. L. Nesbit, Jr.: "Why is it that during the 1950's and early 1960's, years of great economic advancement and expanding allocation of economic resources to medical care, the infant mortality rate decreased only moderately? Contrasting economic and medical care advances in this period with what happened to the infant mortality rate poses a difficult paradox."

There is accordingly strong evidence in the correlation of excesses in the infant and fetal death rate with nuclear testing. The human ova, sperm and fetus may be considerably more sensitive to internal radiation from certain radioisotopes than had been expected on the basis of animal experiments or observations on children irradiated in the course of diagnostic X-ray examinations of the mother prior to or during pregnancy. The estimated number of excess infant deaths since 1951 reached a total of 375,000 by 1966 in the United States alone and has continued at a rate close to 34,000 per year—this despite a gradual decline of the death rate beginning with the test ban in 1963. The serious dimensions of the worldwide infant mortality problem are thus apparent, suggesting the need for a major, international effort to test in detail the various consequences implied by the hypothesis that nuclear fallout may have played a significant role in this and other important changes in mortality trends all over the globe.

In view of the evidence of an association between nuclear testing and the increase of fetal and infant mortality in the United States, an association which appears to be of a direct causal nature, the need to end all further atmosphere weapons testing and

to halt all shallow underground cratering tests that permit escape of radioactive material into the environment is of paramount urgency.

Since significant changes in the rates of fetal and infant mortality seem to have been produced as the result of tests in 1945-54 involving only a handful of kiloton weapons now classified as "tactical" in size, the full dimensions of the threat to the biological survival of mankind posed by a possible nuclear war become apparent.

[From Esquire magazine, September 1969]
THE DEATH OF ALL CHILDREN—A FOOTNOTE TO THE ABM CONTROVERSY

(By Ernest J. Sternglass, professor of radiation physics, University of Pittsburgh)

Hopefully it is not too late to ask the members of Congress in their deliberations over the Administration's proposed Anti-Ballistic Missile system to pause and reflect on the nature and urgency of the matter they have been debating.

In view of new evidence on the totally unexpected action of strontium 90 on human reproductive cells, it is apparent that Congress has not yet considered what may well be the most important factor affecting its decision to proceed or not to proceed with the first steps toward the A.B.M. shield. The fact is this: a full-scale A.B.M. system, protecting the United States against a Soviet first strike, could, if successful, cause the extinction of the human race. (Indeed, the scientific evidence indicates that already at least one of three children, who died before their first birthdays in America in the 1960's, may have died as a result of peacetime nuclear testing.) Such is the conclusion indicated by new information on the unanticipated genetic effect on strontium 90, presented at a recent meeting of the Health Physics Society.

Proponents of the A.B.M. system argue that it is necessary to prevent the destruction of our deterrent forces by a massive first strike of Russian SS-9 missiles carrying thousands of multiple warheads. But the threat of such an attack loses all credibility against our present knowledge that the vast amounts of long-lived strontium 90 necessarily released into the world's rapidly circulating atmosphere could lead to the death of all Russian infants born in the next generation, thus ending the existence of the Russian people, together with that of all mankind.

The unanticipated genetic effect of strontium 90 has become evident from an increase in the incidence of infant mortality along the path of the fallout cloud from the first atomic test in New Mexico in 1945, and from a detailed correlation of state-by-state infant mortality excesses with yearly changes of strontium 90 levels in milk.

The computer-calculated change in infant mortality was found to have reached close to one excess death in the U.S. per one hundred live births due to the release of only 200 megatons of fission energy by 1963. This indicates that a release of some 20,000 megatons anywhere in the world, needed in offensive warheads for an effective first strike or in the thousands of defensive A.B.M. warheads required to insure interception, could lead to essentially no infants surviving to produce another generation.

The specter of fallout has of course loomed before in the national anxiety over nuclear explosions. But the result of these studies comprises the first documented, long-range analysis showing direct quantitative correlations between strontium 90 and infant mortality. (They will be published later this year as recorded in the Proceedings of the 9th annual Hanford Biology Symposium.)

The physicists who exploded the first atomic

bomb at Alamogordo had expected radioactive materials of some kind and assumed that they would fall to earth downwind as far as fifty miles away. Accordingly, the test site had been located in an isolated area of southern New Mexico. When a subsequent series of tests was held in 1951, six years later, the scientists moved to the isolation of desert country in southern Nevada. By now, however, and without the knowledge of the scientific community, the death rate of children in states downwind from Alamogordo had begun to rise.

The infant mortality rates in the United States have been carefully collected for many years. From 1935 to 1950, the rate shows a steady decline, and mathematical models allow the rate to be extended to show, on the basis of previous experience, what the infant mortality rate for any time, consistent with the immediate past, ought to be. But while elsewhere (with one exception) in the U.S. the rate continued downward as expected; in the states downwind of Alamogordo it did not. There was no change in the infant death rate in 1946—the year after the Trinity test—but by 1950 the rate in Texas, Arkansas, Louisiana, Mississippi, Alabama, Georgia, and both Carolinas deviated upward from the normal expectancy. Increases in excess infant mortality of some twenty to thirty percent occurred some thousand to fifteen hundred miles away in Arkansas, Louisiana, and Alabama, where mortality rates were between 3 and 4.5 per hundred live births. Thus, as observed by our research group at the University of Pittsburgh, the Alamogordo blast appears to have been followed by the death, before reaching age one, of roughly one of one hundred children in the area downwind. No detectable increase in mortality rates relative to the computer-determined 1940–45 base line was observed in Florida, south of the path of the fallout cloud, or in the states to the north; and the mortality excesses became progressively less severe with increasing distance eastward, in a manner now understood to be characteristic of the activity along the path of a fallout cloud. Though the increase in infant mortality in the states was taking place during the years 1946–1950, it does not appear to have been associated with the Alamogordo fallout before our studies beginning in October, 1968.

Meanwhile, the study of radiation effects proceeded elsewhere in the scientific community. It became known in the early 1950's that radioactive strontium was concentrated in cow's milk and transmitted, along with the calcium to which it bears a close chemical resemblance, to the rapidly growing bones of the fetus and the subsequent infant. Still, the radiation from strontium 90, though long-lasting, was relatively small in degree; and it was a matter of record, from studies of young women employed in painting luminous watch dials, that very large amounts of radiation over long periods of time are required to produce bone cancer or leukemia in adults. Besides, the survivors of Hiroshima and Nagasaki and their offspring were carefully observed, without discovering any very serious long-term effects of radiation. A small number of leukemia cases turned up, and a very few detectable abnormalities among their children, but compared with the rest of Japan the difference was slight. The measurable effects of fallout, at the time, did not seem so ominous after all. So atmospheric nuclear weapons testing proceeded in Nevada until 1958, and continued in the Pacific until 1963 under the pressure of the Cold War. No obvious or clear-cut incidents of serious harm to anyone were reported outside the immediate area of testing.

Still, there was concern among radiobiologists and geneticists over the possibility of radiation effects on the highly sensitive

human reproductive cells, rapidly dividing and developing to form the human embryo during the first few weeks and months of gestation. Evidence from animal experiments, as well as from the observation of pregnant women who had been exposed to X-rays, suggested that ova and embryo might be from twenty to fifty times more sensitive to the development of leukemia than the mature adult. If so, the potential danger of even relatively small amounts of radiation would be greatly magnified.

The evidence implicating X-rays in childhood leukemia had been discovered—quite unexpectedly—by Dr. Alice Stewart of Oxford University, in the course of a survey designed to uncover the causes of a disturbing rise in childhood leukemia among the children of England and Wales during the 1950's. Her study, published in 1958, showed that mothers who had received a series of three to five abdominal X-rays in the course of a pelvic examination gave birth to children who were almost twice as likely to die of leukemia or other cancers than the children of mothers who had not been X-rayed during pregnancy. Subsequent studies showed that only about six percent of all childhood leukemia is related to X-rays, but Dr. Stewart's research remains significant, since before then no serious effects of ordinary diagnostic X-rays had ever been demonstrated, especially since a single abdominal X-ray gives the fetus a radiation dose not much larger than what each of us receives in the course of some three to five years from cosmic rays and the natural radiation in the rocks around us.

It is true that leukemia and childhood cancer are relatively rare. Only about one child in one thousand is affected. Nevertheless, since leukemia and other cancers are the second greatest cause of death among children between five and fourteen (ranking only after accidents), Dr. Stewart's findings were regarded by physicians as startling, and efforts were made to check them. Perhaps the most definitive such examination was done by Dr. Brian MacMahon at the Harvard School of Public Health. Using a study population of close to 800,000 children born in large New England hospitals, where careful records of X-rays given to mothers were available, Dr. MacMahon confirmed Dr. Stewart's findings. He observed only about a forty percent increase in the cancer rate among exposed children, probably because of improvements in X-ray technology that allowed lower exposures.

Meanwhile, in April, 1953, a sizable amount of nuclear debris from a test explosion in Nevada was wafted downwind some two thousand miles to the east and, thirty-six hours later, deposited by a rainstorm over the Albany-Troy region of New York State. Dr. Ralph Lapp, one of the first scientists to be concerned with the hazards of peacetime nuclear testing, drew attention to this heavy local fallout. Subsequent examination of the childhood leukemia pattern in this area showed that leukemia doubled over a period of some eight years after the fallout—and then decreased. Here, for the first time, was a documented case in which fallout appeared to produce serious effects at a rate consistent with what was expected from the study of children exposed to prenatal X-rays.

Further examination of the leukemia rate for the entire State of New York revealed a pattern of increase and decrease following the sequence of individual test series in Nevada between 1951 and 1958, with a characteristic time delay of about five years after each detonation. The rise and fall were particularly marked in the age group from five to fourteen years, the group most indicative of radiation-produced cases.

More disturbing yet, the evidence showed that the arrival of the fallout was followed by a halt in the normal decline of the rate

of stillbirths. For the previous fifteen years, from 1935 to 1950, the stillbirth rate had shown a regular and progressive decline. Within a year after testing began in Nevada in 1951, the rate began to deviate upward. Between 1957 and 1963 the fetal death rate, instead of steadily declining as it had from 1935 to 1950, leveled off completely at around twenty-three per thousand live births. In 1964, the fetal death rate rose to 27.3 per thousand, the first such leap since records had been kept in New York State. In 1965 and 1966, it declined slightly, as a gradual reduction of fallout in milk and food took place throughout the U.S. In contrast to New York, the fetal death rate for California—upwind of the Nevada test site, and therefore not affected by it—continued its steady decline, in line with the 1935–1950 figures from which New York so sharply deviated. Still, the rate of decrease began to slow down in California also—two to three years after the onset of hydrogen bomb tests in the Pacific in 1954.

The implications of the fetal death rate could be considered much more serious for society than the incidence of childhood leukemia, since there are more than ten times as many fetal deaths reported than cases of childhood leukemia. Moreover, for every fetal death reported, an estimated five or six are not reported, yielding perhaps fifty or sixty fetal deaths for each case of leukemia. Consequently, the search for further evidence continued. More fallout seemed to be followed by more fetal deaths, but no precise statistical correlation had been drawn. Since the amount of strontium 90 deposited in the soil is easily measurable, the cumulative deposit of strontium 90 was plotted against the excess of fetal mortality over what the mortality should have been if the 1935–1950 decline had persisted. The finding: except for the first few years of testing in Nevada, when short-lived isotopes rather than the long-lived strontium 90 were dominant, the fetal death rate in New York followed the same general pattern as the accumulated strontium 90 on the ground. Both curves showed the same decrease in rate of climb coincident with the temporary halt of nuclear testing from 1958 to 1961; both show a sharp rise beginning with the large Soviet test series in 1961. Two years after the test ban in 1963, both the fetal death rate and the radioactivity in the environment once again began to decline.

A similar pattern in the fetal death rate exists in the data for the United States as a whole for all periods of gestation up to nine months. Again, there is a steady rate of decline until the Fifties, a leveling off in 1951–52, and an actual rise in 1954, corresponding to the onset of the Pacific H-bomb tests; and a second rise in 1961, corresponding to the Soviet test series.

But perhaps the most disturbing evidence of all indicates that the rates of infant mortality in the United States and all over the world seem to have been affected by nuclear testing. The infant mortality rate is far more accurately known than the fetal death rate, since the death of a baby, unlike a miscarriage or an abortion, rarely escapes notice in the advanced countries. Like fetal deaths, infant mortality had shown a steady decline in the period 1935–1950; but beginning with the Nevada tests in 1951 and continuing until just after the test ban in 1963, the rate suddenly leveled off in the U.S. This leveling off did not occur in such other advanced countries as Sweden, Holland and Norway, or in Southern Hemisphere countries like Chile and New Zealand, until late in the 1950's when hydrogen-bomb tests in the South Pacific and Siberia began to produce worldwide fallout on a much increased scale. Only after the major portion of the most violently radioactive material from the 1961–62 tests had disappeared did U.S. infant

mortality begin to decline again in 1965, at a rate close to the previous 1935-1950 decline.

The most serious effects appeared in the age group from one month to one year. Here, the rate of deaths per one thousand live births should have been, according to the 1935-1950 figures, about 2.7. Instead, the observed number was 5.4 per thousand, twice what it should have been and twice what it actually was in Sweden, where the rate had steadily declined to 2.6 per thousand.

Not only was there a drastic change in overall infant mortality for the U.S. as compared to the rest of the advanced countries, but there were also disturbing patterns of change within the U.S. For example, the infant mortality rate started to level off sharply in the Eastern, Midwestern and Southern states within two years after the onset of atomic testing in Nevada in 1951, while it continued steadily downward in the dry Western states. But this is exactly the known pattern of accumulated radioactive strontium on the ground and in the diet, since strontium is most heavily deposited in states of high annual rainfall, especially in those to the east of Nevada.

Serious difficulties remained, however, in establishing a causal connection between nuclear testing and these drastic changes in fetal and infant mortality. First, why should fallout, and in particular strontium 90, cause fetal and infant deaths, since it goes to the bones and should therefore cause, if anything, bone cancer and leukemia many years later? Second, there was no observed direct quantitative relation between different levels of strontium 90 in the body and mortality rates at any given age. Therefore it was difficult to see how the very small amounts of radiation resulting from peacetime testing could possibly have been the cause of the deviations in fetal death and infant mortality, especially since no significant genetic effects had been observed among the children of the Hiroshima and Nagasaki survivors.

The causation puzzle now appears to be solved. In 1963, K. G. Luning and his co-workers in Sweden published their discovery that small amounts of strontium 90, injected into male mice three or four weeks prior to mating, produced an increase in fetal deaths among their offspring. No such increase appeared when corresponding amounts of chemically different radioactive cesium 137 were injected. More recently, evidence presented at an International Symposium on the Radiation Biology of the Fetal and Juvenile Mammal in May, 1969, has demonstrated severe chromosome damage, fetal deaths and congenital malformations in the offspring of female mice injected with strontium 90 before and during pregnancy. Similar effects have now been observed for very small quantities of tritium, produced by both A-bombs and relatively "clean" hydrogen weapons.

In the light of these studies, the absence of genetic effects in Hiroshima is understandable. In Hiroshima and Nagasaki, the bombs were detonated, not on the ground as in New Mexico, but at such an altitude that there was essentially no fallout in these two cities proper. The radiation exposure there resulted almost exclusively from the brief flash of X-rays, neutrons and gamma rays at the instant of explosion. Consequently no special effects related to strontium 90 appeared in the children of the survivors; but the rate of cancer deaths among children up to fourteen years in Japan as a whole jumped by more than two hundred percent between 1949 and 1951, four to six years after the bombs, when the fallout had had a chance to produce its effects throughout the southern parts of Japan—exactly the same delay observed after the fallout from Nevada arrived in Albany-Troy.

But the problem remains of demonstrating a direct connection between the levels of strontium 90 in human fetuses and infants,

on the one hand, and observed changes in fetal and infant mortality, on the other. Such a direct connection seems to emerge from the so-called "baby-tooth survey" carried out by the Dental School of Washington University in St. Louis, supported by the U.S. Public Health Service and directed by Dr. H. L. Rosenthal. Using the data from tooth-buds and mandibular bones of aborted fetuses and from baby teeth collected in the greater St. Louis area, Dr. Rosenthal's study showed that the concentration of strontium 90 in the teeth followed closely the measured concentrations in bone and milk. Measurement of the strontium 90 content of milk anywhere in the world permits a calculation of the concentration in the bones of infants and fetuses developing in the same areas. We have found a direct correlation between the yearly changes of strontium 90 contained in the teeth (and therefore the bones and bodies) of the developing human fetus and infant, and the changing excess mortality rates, going up and down together as atmospheric tests began in 1951 and stopped in 1963.

From our examinations of the infant mortality changes from a computer-fitted base line for 1935-1950, for various states in which the Public Health Service reported monthly values of the strontium 90 concentrations in the milk since 1957, there emerges a close correspondence between average strontium 90 levels and infant mortality changes. Wherever the strontium 90 rose to high values over a four-year period, as in Georgia, a large, parallel, year-by-year rise in infant mortality also took place; while in areas where there was little strontium 90 in the milk, as in Texas, the infant mortality remained at a correspondingly lower value. Other states such as Illinois, Missouri, New York, and Utah also show a rise, peaking in the same 1962-1965 period at levels between these extreme cases, each according to their local annual rainfall and strontium 90 concentrations in their milk.

For the United States as a whole, we found a detailed correspondence between and among: 1) the excess infant mortality relative to the 1935-1950 base line; 2) the total strontium 90 produced by nuclear weapons; 3) the strontium 90 thus produced actually reaching the ground; and 4) the four-year average concentration in U.S. milk from 1955, the year after the first large H-bomb tests; and 1965, the year when strontium 90 concentrations began to level off and started to decline once again.

At the peak of this excess infant mortality, it was the District of Columbia that showed the largest excess in 1966—157 percent, compared with an average excess of 72 percent for the U.S. as a whole. The low value was found in dry New Mexico, minus-eleven percent—actually below the 1935-50 base line.

To appreciate the magnitude of these effects, it must be recognized that in the 1950's about 2.5 to 3.0 infants out of every hundred born in the U.S. died before reaching the age of one year. The average excess infant mortality, therefore, represents close to one child out of one hundred born, or one of every 2.5 to 3.0 that died during the first year of life.

Since about four million children were born annually during this period, close to 40,000 infants one year old or less died in excess of normal expectations each year, totaling some 375,000 by the mid-Sixties and continuing at about 34,000 per year since the end of atmospheric testing by the U.S. and the U.S.S.R.

It is no wonder, then, that infant mortality has been a major concern of our Public Health Service since this trend was first pointed out in 1960 by Dr. M. Moriyama of the National Center for Health Statistics.

However, as Dr. Moriyama and his associates observed during an international conference devoted entirely to infant mortality

in 1965, none of the factors so far considered—medical care, population movement, new drugs, pesticides, smoking or epidemics of infectious disease—suffices to explain the observed facts.

That the recent excesses in infant mortality cannot readily be explained by medical and socioeconomic factors normally influencing mortality trends may be seen from an examination of the death rate in the various states following the Alamogordo blast. At the University of Pittsburgh, we have plotted the percentile infant mortality excesses of decrements relative to the computer-determined 1940-1945 base line for the first and fifth years after Alamogordo. In 1946, one year after the detonation, there was no sign of any excess infant mortality in the states downwind from New Mexico; but by 1950 a clear change toward excess infant mortality appeared in the states over which the fallout cloud had drifted, and only in those states. Furthermore, the excess mortalities are seen to be distributed in such a pattern as might be expected from nuclear fallout originating in New Mexico, since the effects are lowest in the dry area of western Texas, and largest in the areas of heavy rainfall first encountered by the cloud, namely Arkansas, Louisiana, Mississippi and Alabama, declining steadily thereafter toward the Atlantic.

The only other area that showed a clear excess infant mortality greater than ten percent as compared to the 1940-1945 period was found to be North Dakota. There, subsequent measurements of strontium 90 in the milk, carried out by the Health and Safety Laboratories of the Atomic Energy Commission, revealed the highest concentrations anywhere in the U.S. for which data is available prior to 1960. The causes of this "hot spot" are not yet fully understood, but they are quite possibly connected with known accidental discharges of radioactivity from the Hanford plant of the Manhattan Project, directly to the west, in the early years of its operation, where the fissionable plutonium for most of the nuclear weapons was produced beginning in 1944.

Since no excess infant mortality was registered along the path of the New Mexico fallout cloud in the first year after the detonation, the deaths occurring downwind in later years could not have resulted from the direct effects of external radiation from fallout on the developing embryo. It becomes clear then that we are dealing with an effect on the reproductive cells of the parents, or a so-called genetic effect.

The evidence available so far therefore suggests that radioactive strontium appears to be a far more serious hazard to man through its long-lasting action on the genetic material of the mammalian cell than had been expected on the basis of its well-known tendency to be incorporated into bone. The resultant effect appears to express itself most noticeably in excess fetal and infant mortality rates among the children born two or more years after a nuclear explosion. Presumably such factors as lowered birth weight and reduced ability to resist ordinary infectious diseases are involved, accounting for the greatest increase in infant mortality in the U.S. as compared to the advanced countries of Western Europe since the early 1950's. Children who receive adequate medical care are more likely to survive these factors than those who do not.

What does all this imply for the debate over the deployment of new nuclear weapons systems, such as the A.B.M. or the M.I.R.V. (Multiple Independent Reentry Vehicle), carrying many nuclear warheads in a single missile? To appreciate the probable genetic effects of a large nuclear war, we can consider first the effect of small tactical-size nuclear weapons comparable to the 20 kiloton bombs detonated over Hiroshima,

Nagasaki, and in the desert of Alamogordo. Since increases of some 20 to 30 percent excess infant mortality were observed from a thousand to fifteen hundred miles downwind in Arkansas, Alabama and Louisiana, where mortality rates were between 3 and 4.5 per hundred live births, the detonation of a single, small tactical-size nuclear weapon on the ground in the western United States appears to have led to one out of one hundred children born subsequently dying before reaching the age of one year. Therefore, the detonation of a hundred or so weapons of this size, amounting to the equivalent of only two megatons in the form of small warheads, would be expected to lead to essentially no children surviving to maturity in the states directly downwind.

But according to former Defense Secretary Clark Clifford, speaking at a N.A.T.O. conference in the Fall of 1968, we have close to eight thousand tactical nuclear weapons in the kiloton range ready to be released in order to protect our European allies from a ground attack by Russia. Thus, we would probably achieve the protection of Western Europe at the cost of the biological end of these nations through the death of the children of the survivors, together with the likely death of most children subsequently born to the people of Eastern Europe, Russia and China as the radioactive clouds drift eastward around the world until they reach the United States. Thus, the use of the biologically most destructive small nuclear weapons in tactical warfare now appears to be at least as self-defeating as the release of large quantities of nerve gas, killing indiscriminately soldiers and civilians, friends and enemies alike.

But, what about the use of large megaton warheads in a massive first strike or in A.B.M. missiles detonated high up in the stratosphere or outer space, as proposed for the Spartan missile that is to provide us with an impenetrable shield against a first strike attack by large Chinese or Russian missiles in the 1970's?

According to the figures on infant mortality in the United States, based on the testing of large hydrogen weapons in the Pacific and Siberia, both in the atmosphere and outer space, close to one out of every one hundred children born are likely to have died as the result of only about 200 megatons worth of fission products into the world's atmosphere, under conditions which were especially designed to minimize the possible effects on health.

According to the testimony of Defense Secretary Melvin Laird in the Spring of 1969, the U.S.S.R. will have the capability of launching some 500 SS-9 missiles, each capable of carrying 25 megatons worth of bombs in the form of many multiple warheads, or a total of some 1500 to 2500 warheads. Together with comparable numbers launched by smaller missiles, the total megatonnage would therefore be of the order of 10 to 20,000 megatons needed in a first strike that attempts to destroy most of our thousands of missiles and bombers at the same time.

Thus, the threat of a first strike by Russia loses all credibility since, in order to have any chance at all of preventing devastating retaliation, it would necessarily have to release so much radioactivity into the circulating atmosphere that it would lead to the death of most Russian infants born in the next generation, ending the existence of the Russian people together with that of all mankind.

Since it takes at least three to five Anti-Ballistic Missiles launched to insure a high probability of interception, the U.S. must be prepared to launch some 5000 to 15000 A.B.M.'s in order to provide a meaningful "shield" against such a massive attack.

We know that each Spartan missile must contain a warhead of at least 2 megatons to

produce a sufficiently intense X-ray pulse to achieve interception, so that the use of this system to protect our own missiles and cities would require the detonation of some 10,000 to 30,000 megatons into the stratosphere, not counting any radioactivity from the Russian warheads, from our own counterstrike, or from the Russian A.B.M. missiles.

Thus, even if anti-missile systems were to work with ideal perfection on both sides, preserving every home, every school, and every factory from destruction, the release of long-lived radioactive materials would produce more than a hundred times as much radioactive poison as during all the year of peacetime testing. Based on the excess mortality observed during the period of testing, this would most likely be sufficient to insure that few if any children anywhere in the world would grow to maturity to give rise to another generation.

Nor will it make much difference how high above the atmosphere the bombs are detonated, because the strontium 90 takes twenty-eight years to decay to half of its initial activity, long enough for most of it to return to earth well before another generation of children is born. And even if a perfectly "clean" weapon containing no fissionable material at all could ever be developed, the carbon 14 it produces would get into the genetic material controlling the life processes of all living cells, and it takes 5770 years before half of its radioactivity is exhausted.

The implications of the warning mankind has received from the death of its infants during nuclear testing are therefore clear:

Nuclear war, with or without anti-missiles or elaborate shelters, is no longer "thinkable" due to a fatal flaw in the assumptions of all our military war-gamers, namely the unexpectedly severe biological sensitivity of the mammalian reproductive system to genetically important by-products of nuclear weapons, which must now be regarded not merely as vastly destructive explosive and incendiary devices, but as the most powerful biological poison weapons that man has yet invented.

NUCLEAR MISSILE TESTS IN MICRONESIA MUST BE CANCELED TO SAVE LIVES

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD, and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, all of the people of the Pacific who live under the American flag make up my larger unofficial constituency. To these people who have no voice in the governance of their lives I believe all of us owe a special responsibility. Regrettably in our busy lives we do not have the time to devote to these voiceless, powerless, subjugated peoples living on the remote coral atolls of the Pacific. Not because of anything they did, not because of anything they did against us, but only because they happen to have been colonized by Japan, these innocent bystanders continue to be exploited and ignored by our Government. I cannot believe it is because this is the deliberate policy of our Government. I console myself that a great democracy like ours would not consciously contravene our basic tenet of freedom and self-government. It must be because we fail to take the time to understand their plight.

The plea of the people of the midcorridor islands who were removed by our Government in order to allow us use of

these islands for testing of missiles has been falling on deaf ears. Now when we are again contemplating further tests of our missile weaponry in these islands, I would hope that we can devote some of our time and attention to their ever-increasing frustration. I submit for your attention my most recent communication from the people of the midcorridor islands of the Trust Territory of the Pacific which cries out for our concern:

MEMORANDUM

APRIL 21, 1969.

To: Army commanding officer, Kwajalein Missile Range, through High Commissioner, Trust Territory of the Pacific Islands.

From: Congressman Ataji Balos.

Subject: Six hundred sixty-nine Mid-Corridor people are awaiting 60 days decision from the Army and the Trust Territory Government.

The official record of the Ebeye Municipal Government shows that there are 1470 Mid-Corridor people who own legal land rights in the Mid-Corridor islands. Only one hundred ninety eight (198) are receiving compensation from the Trust Territory Government. Three hundred forty two (342) are employed by Global, Trust Territory, and private companies. Six hundred sixty nine (669) Mid-Corridor people are requesting the Army and the Trust Territory Government to please allow them to return to their islands in the Corridor because they have no ways of making income on Ebeye. The other two hundred sixty one (261) Mid-Corridor people have no jobs and have no ways of making income either, but they have not as yet made their decision to go back to their islands. They are continuing to live parasitically with their relatives and their friends.

Some employees have signed to return their families to their islands in the Corridor due to the fact that they cannot support them. The amount of the income they're receiving is inadequate to challenge the high standard of living on Ebeye.

The 669 Mid-Corridor people are mainly consisting of old people who cannot do any kind of work physically, students who have no jobs yet because they're still attending school, and of course the young children who are still legally under age of employment. Those are the ones who have experienced the long suffering on Ebeye. Those are the ones who would like to request the Army and the Trust Territory Government to please allow them to return to their islands because of the hardship they are encountering throughout these years. Frankly our Marshallese custom helps them to survive. They depend on their relatives and their friends for food, clothing, and other needs. Obviously, if their relatives and friends would stop from supporting them, then they would be no different from a "war prisoner" who wears a torn piece of cloth and dies gradually from starvation. To my knowledge, United States Government is very generous. It won't even allow its "people" to suffer this way especially in time of peace.

The leaders of each family of the 669 Mid-Corridor people have signed to return to their islands in the area in which the Army have designated as a restricted and a dangerous area on account of Missile Operation conducting on Kwajalein. To tell the truth, this is not a political move, nor is it a "campaigning promise." Let's face the truth and not argue and blame each other on this request of the Mid-Corridor people to return to their islands. This is exactly why they are asking the Army and the Trust Territory Government to please allow them to return to their islands. They would like to go back to their islands to settle and to live a free and a

peaceful life without bothering the Army and the Trust Territory Government.

I attached herewith a copy of the proposals by the Mid-Corridor people. They should like to urge the Army and the Trust Territory Government to take action on their made proposals within sixty (60) days after the date of submitting them. Their position is clearly stated that they are willing to cooperate, but they can't continue to live the long suffering life on Ebeye. Here again they would like to inform the Army and the Trust Territory Government that they will be returning to their islands, either with or without permission, after the sixty (60) days of submitting their requests and awaiting for the decision.

MEMORANDUM
CONGRESS OF MICRONESIA.

Capitol Hill,

Saipan, Mariana Islands, July 9, 1969.

To Army Commanding Officer, Kwajalein Missile Range Thru High Commissioner, Trust Territory of the Pacific Islands.

From Congressman Ataji Balos.

Subject Request of the new High Commissioner of the Trust Territory, Mr. Johnston, asking the Mid-Corridor people to give him a chance to work on their problem.

The Mid-Corridor people are once again patiently waiting and continuing their suffering in response to the request of the new High Commissioner, Mr. Johnston, asking them to give him a chance to work on their problem. The thirty one (31) Mid-Corridor people who had tried to return to their island did so not because they were unwilling to cooperate, but because they can't continue to live and suffer on Ebeye.

The Army and the Trust Territory took quick action to bring back the thirty one people to Ebeye after six days of being on their Islands. The Army now is supplying the 31 people with nothing else but food until September 1, when the Army and the Trust Territory plan to open a re-negotiation with the Marshallese leaders of Kwajalein and the Mid-Corridor people.

If it weren't for the request of the new High Commissioner, all the Mid-Corridor people who have experienced the long suffering and grievances would have returned to their islands as they promised to do after the original sixty (60) days awaiting for the decision from the Army and the Trust Territory Government. High Commissioner Johnston took action in time just before the sixty days were over. This indicates that Mr. Johnston is very much aware and concerned about the long suffering of the neglected Mid-Corridor people. He shows his interest in helping the Mid-Corridor people by asking them to give him at least a chance to see what he can do to help them with their problems. This is reasonable enough to stop the Mid-Corridor people temporarily from returning to their islands. They are willing to cooperate with the new High Commissioner, and continue to live a suffering life on Ebeye for another sixty (60) days. However, if there is no result within sixty (60) days of the date this memorandum is issued, here again, the Mid-Corridor people would like to inform the Army and Trust Territory Government that they will return to their islands, either with or without permission.

REQUESTS PROPOSED BY THE MID-CORRIDOR PEOPLE TO BE PRESENTED TO THE ARMY AND THE TRUST TERRITORY GOVERNMENT TO BE ANSWERED WITHIN 60 DAYS AFTER THE SUBMITTING DATE, APRIL 21, 1969

1. Request the Army and the Trust Territory Government to provide transportation and return the Mid-Corridor People to their islands.

2. Request the Army and the Trust Territory Government to provide housing and

sheltering on each of the 14 islands in which the Mid-Corridor people will return to settle.

3. Request the Army and the Trust Territory Government to rehabilitate the 14 islands.

4. Request the Army and the Trust Territory Government to help support the Mid-Corridor people for food and other needed supplies until the islands will be recovered from the last typhoon damage, if the people will return to their islands in the near future.

Iroij Lojelan Kabua, Iroij Albert Loek, Magistrate Jalli Bolkein, Alee Jeadrik, Councilman; Tojiro Lamae, Councilman; Andrijel Job, Municipal Police; Handel Dribo, Leader of the People; Elly Malolo, Leader of the People; Congressman Ataji T. Balos; Pijja Matanto, Leader of the People; Atidrik Male, Leader of the People; Clement Korok, Leader of the People; Nuke Bilele, Leader of the People, Abija Ajman, Leader of the People; Laibon Jojo, Leader of the People; Aronean Mawilon, Leader of the People.

SAIL-IN AGAINST U.S. ARMY IN MICRONESIA

CONGRESS OF MICRONESIA,
HOUSE OF REPRESENTATIVES,

Saipan, Mariana Islands, July 19, 1969.

Relocated inhabitants of Micronesia threatens the cancellation of U.S. Army missile test operations at the Kwajalein Missile Range, in Micronesia.

The problem is between the U.S. Army at Kwajalein, a sophisticated missile base in the Marshall Islands, and about 1470 Marshallese Micronesians. The trouble has been brewing since 1964 but finally this year it burst into the open in a form of two ultimatums from these Marshallese to the U.S. Army.

Recently, the Army received the second ultimatum from the displaced populations of the "Mid-Corridor" islands around Kwajalein that if it (Army) does not within 60 days resolve their long-standing problems arising from their forced relocations in 1964, they would stage another sail-in to repossess their islands from the U.S. Army.

Ataji Balos, a Micronesian Congressman and representative of these unfortunate people, issued the second ultimatum in a memorandum dated July 9, 1969. The memo was sent to the Army Commanding Officer, Kwajalein Missile Range, through the High Commissioner of the U.S. Trust Territory.

The first ultimatum was issued on April 21, 1969. Congressman Balos advised the U.S. Army at Kwajalein and the civilian representative of the U.S. Government in Micronesia to help facilitate the return of his constituents, otherwise they would return on their own to their islands.

The Army and the Trust Territory Government (U.S. Representative in Micronesia) thought that they were bluffing and ignored their warning.

Thirty-one of the 669 who had vowed to defy any Army orders by returning, packed up and sailed to their islands. The sail-in forced a reported cancellation of two missile test operations causing an estimated loss of \$2 million.

The High Commissioner, chief U.S. Representative, managed to have the 31 Mid-Corridor islanders returned to Ebeye by asking them to give him a chance to work out some solution to their problems.

(Ebeye is an unsightly labor camp off Kwajalein base, where some 4,000 Micronesians, including 1470 Mid-Corridor islanders, are housed.)

"The Mid-Corridor people are once again patiently waiting and continuing their suffering in response to the request of the new High Commissioner, Mr. (Edward) Johnston, asking them to give him a chance to work on their problems," the memorandum began.

"This (Mr. Johnston's willingness) is reasonable enough to stop the Mid-Corridor people temporarily from returning to their islands," the memo said. "They are willing to cooperate with the new High Commissioner and to continue to live a suffering life on Ebeye for another 60 days."

"However, if there is no result within 60 days of the date this memorandum is issued, here again, the Mid-Corridor people would like to inform the Army and the (U.S.) Trust Territory Government that they will return to their islands, either with or without permission."

Copies of the memo were sent to the U.N., U.S. Congressmen, the U.S. President, and major U.S. newspapers.

The inhabitants of the Mid-Corridor islands in the Kwajalein Atoll were removed in 1964 from their islands when the U.S. Military intensified its missile test operations in the skies over the atoll. The Kwajalein Missile Range, located on a legally dubious 99 yr. lease from Marshallese Micronesians, is one of the most sophisticated U.S. military air facilities and most vital to the development of its offense and defense capabilities.

There is a growing (U.S.) congressional interest in the possibility of a "Kwajalein compromise" for the ABM dispute in the U.S. Senate. Recently, Sen. Stuart Symington, D-Mo., visited Kwajalein to investigate the feasibility of using the island as an alternative to the two sites, one in North Dakota and another in Montana, recommended by the Nixon Administration for the initial ABM deployment.

Spartan and ABM missiles have been tested at Kwajalein for some time. ABM missiles which are fired from the Vandenberg Air Base in California have been tested-intercepted over the Kwajalein skies.

The Mid-Corridor people have exhausted all legal and proper means in their efforts to resolve their problems.

They have petitioned the U.S. Army, the U.S. Trust Territory Government, and the Congress of Micronesia, but still to no avail.

"We realize our obligation under the Trusteeship Charter to play our part in the maintenance of international peace and security," the Mid-Corridor islanders eloquently petitioned the Congress of Micronesia. "The value of testing missiles to the maintenance of peace and security is, however, in our humble opinion, a questionable matter. We believe in peace and love, not in the display of power to destroy mankind."

"If maintaining peace means killing and destruction of the fruits of man's effort to build himself a better world, we desire no part of it."

The 31-year old Congressman and his constituents are armed by two resolutions from the Congress of Micronesia, the territory-wide legislative body.

The first resolution adopted by the Congress last year request the High Commissioner (U.S. Representative in Micronesia) to provide for the return of the "Mid-Corridor" people to their home islands or to renegotiate the Timeless Agreement between the Army and the people.

The Agreement provides a maximum of \$40 per month to 194 among a total of 1470 inhabitants. Moreover, descendants of the 194 are not entitled to the \$40 after the death of the head of the family.

The U.S. Government in Micronesia and the U.S. Army failed to respond to the resolution and the Micronesian Congress again adopted the second resolution supporting the return of the "Mid-Corridor" people and authorizing a member of the Congress to accompany them.

"We have been taken advantage of and our rightful grievances have been ignored for a long time," the quiet, soft-spoken leader of the people said.

"I have told my people that we must stand up for our rights," freshman Congressman Balos continued. "I will go to jail with them, even die with them, if I have to."

Congressman Balos is one of the 33 members of the Congress of Micronesia, which convened on July 14, 1969 for its Second Regular Session, Third Congress. The Congress was established in 1965. It is divided into houses, the Senate with 12 members and the House of Representatives with 21 members.

Right after World War II Micronesia with its 100,000 people spread over an area of 3,000,000 sq. miles was established as a United Nations Trust Territory under the U.S. Administration.

A PETITION FROM THE PEOPLE OF THE MID-CORRIDOR ISLANDS, KWAJALEIN ATOLL, MARSHALL ISLANDS

A petition introduced in the Senate on August 3, 1968 by Senator Amata Kabua and in the House of Representatives on August 2, 1968 by Representative Atlan Anien, both of the Marshall Islands District, on behalf of the people of the Mid-Corridor Islands to be considered with House Joint Resolution 45

We, the people of the Mid-Corridor, Kwajalein Atoll, hereby submit this petition to the Congress of Micronesia, and humbly solicit the aid of its honorable members in righting the grave injustice done us by the U.S. Government, its Army, and the Trust Territory Administration. We have long been the victims of military arrogance, but the awesome realities of opposing one of the greatest powers in the world have restrained us from asserting ourselves and further exposing our population to more harassment and oppression. We now find ourselves in a dilemma we know not how to resolve. We, however, recognize the power of unity and are confident that a unified Micronesia, rallying for the cause of justice and humanity, will expedite a fair settlement and restore the peace and tranquility once ours. We come to you for your counsel and your support in this our endeavor to regain those privileges which we consider an integral part of our substantive rights.

Our removal from the islands of the Mid-Corridor for the purpose of testing those dreadful weapons of war was reluctantly agreed upon by us in the full realization of the government's power to condemn our land. We concurred with the safety purposes of the relocation, but it was our understanding that fair compensation for use of the land would be affected and that undue hardship would constitute adequate cause to reopen negotiations. As much as we respect the value of such negotiations, we feel that perhaps a complete re-examination of the initial agreement is due.

We realize our obligation under the Trusteeship Charter to play our part in the maintenance of international peace and security is, however, in our humble opinion, a questionable matter. We believe in peace and love, not in the display of power to destroy mankind. If maintaining peace means killing and destruction of the fruits of man's effort to build himself a better world, we desire no part of it.

In spite of the provisions of the agreement we signed with the Administration and the U.S. Army, which called for maximum effort to avoid undue hardships for the displaced population, we have not known peace since our relocation. To this day, we still protest the number of persons declared eligible by the Trust Territory Government to receive compensation for loss of the Mid-Corridor lands. The stipulation that to be eligible one must have been residing on the islands in question and deriving a livelihood from them, shows an utter lack of understanding as to the way we live. Marshallese people are as

much at home in the sea as they are on land. Deriving livelihood from the land does not necessitate actual residence thereon. It was for this reason that our forefathers built canoes. Living on Ebeye and making occasional food gathering trips to remote islands in the lagoon was common practice before the relocation. Ebeye offers a hospital, schools, and modern conveniences that help to cushion the harshness of living in a subsistence economy. We feel that denying compensation to those people not residing in the Mid-Corridor Area on the assumption that they were not utilizing the resources of these islands is a serious oversight on the part of the Administration. Of the more than 1,400 people that own land in the Mid-Corridor, only 192 have been declared eligible for compensation. Needless to say, we see no justice in this decision.

Residing on Ebeye on \$40 might impress those who have not visited this island. Salaries of the Kwajalein Test Site have risen to a staggering \$1.60 minimum per hour in the last few years. Cost of living in Ebeye has reached a point where \$40 does not go very far. Electric bills and house rentals exceed this amount each month and already some of us have been threatened with eviction for not keeping up payment on electricity and rental.

The Administration does not seem to recognize the normal growth of our population. Anyone born since the relocation is not considered eligible for compensation. When a former Mid-Corridor resident dies, his compensation ceases. Our population increases, the payments decrease, and more and more we see ourselves as parasites, wholly dependent on our friends and relatives whom we once considered our equal. We are the remnants of once a proud people contented with being independent of anyone's handouts. We now feel utterly vanquished.

One hundred and ninety-two people receive \$40 a month each. The rest of us have been cursed with \$1.86 a year. If that is all our land is worth to the American people then it is true that this world has lost all its sense of love and human respect. We do not believe such is the case.

Agreements between the Administration and the people have long been a source of controversy. They are almost always hastily drawn and signed without full explanation of their intricate provisions. We have, in numerous occasions, been coerced into signing pacts all on account of our blind trust in the Authorities allegedly here to protect us. There was a time when we would have considered ourselves fortunate to be under the protection of the U.S. Army. Today, we realize that it was just an illusion. We have known nothing but pain and suffering, physical and emotional, since we placed our lives at the discretion of the U.S. Army. We will not tolerate such atrocities.

We fully recognize the fact that this imbalance of the normal legal order of society cannot long endure without serious if not disastrous consequences. We do not wish to jeopardize our safety by returning to the Mid-Corridor and exposing ourselves to the fragments of American missiles. On the other hand, we cannot bear to live our lives in exile on an island where needs are great but means minimal.

We shall endeavor to keep within the limits of law and abide by any just decision deemed so by our leaders and you the leaders of Micronesia. In the event, however, that no speedy settlement is effected and we return to our land in protest, we beg you to look upon our action, not with anger and resentment, but with compassion and sympathy. Micronesia is composed of the people and the land and we must not tolerate its indiscriminate confiscation. If the Army can treat us in any manner it pleases, it just might someday extend this practice to the rest of the Territory. We have an excellent opportunity

to prove to the Army, the United States, and to the rest of the world, that we are also human beings, conscious of our rights, and willing to defend them.

We now dedicate this petition to the ancestors of the people of Micronesia, who fought the awesome forces of nature, resisted the threatening powers of intervention, and endured all, that we may today stand and proudly call ourselves Micronesians. We look to you, leaders of Micronesia, for support and guidance in our time of need.

Senator Kabua informed the Senators that the petition bore signatures of more than a thousand Marshallese people.

HOUSE JOINT RESOLUTION 17

A House joint resolution expressing support of the peoples of the Mid-Corridor of the Kwajalein Atoll in their efforts to return to their islands and resolving that a representative of the Congress of Micronesia be appointed to accompany these people in their attempt to return to their islands

Whereas, the people of the Mid-Corridor of Kwajalein Atoll have been attempting to regain possession of their islands which were taken from them by the Army and the Trust Territory Administration; and

Whereas, they have been frustrated in all such attempts and appeals to the proper officials; and

Whereas, a resolution adopted on their behalf was responded to by Secretary of the Interior Udall in a callous manner which indicates America's lack of concern for the welfare of the people of Micronesia; and

Whereas, the people of the Mid-Corridor believe that their conscience and dignity leave no alternative but to return to their islands by direct means; now, therefore,

Be it resolved by the House of Representatives of the Third Congress of Micronesia, First Regular Session, 1969, the Senate concurring, that the Congress of Micronesia supports the grievances of the people of the Mid-Corridor and supports their efforts to return to their islands; and

Be it further resolved that the Speaker of the House of Representatives of the Congress of Micronesia be and is hereby authorized to appoint a representative of the Congress of Micronesia to accompany the people of the Mid-Corridor islands in their attempt to return to their islands and to report to the Congress of Micronesia on the success of that attempt; and

Be it further resolved that certified copies of this Joint Resolution be transmitted to the Magistrate of Ebeye Municipality, to the President of the Trusteeship Council of the United Nations, to the President of the United States, to Representative Patsy Mink of Hawaii, to the U.S. Army Administration on Kwajalein, to the High Commissioner and to Iroij Lejolan Kabua, Iroij Kabua Kabua, Iroij Albert Loeak, and Iroij Neimedo.

Adopted January 27, 1969.

HOUSE JOINT RESOLUTION 35

A House joint resolution requesting the High Commissioner to provide for the return of the people of the Mid-Corridor in Kwajalein Atoll to their home islands, or for the renegotiation of the Trust Territory Government agreement with the Nike-X Project Office to provide for the welfare of such persons

Whereas, the people of the Mid-Corridor islands in Kwajalein were moved from their home islands in 1964 under agreement with the Trust Territory Government in order that their islands might become part of the Kwajalein Test Site facilities of the United States Army; and

Whereas, in such agreement the Trust Territory Government agree to provide housing and related facilities, food, and other necessities of life to the people of the Mid-Corridor; and

Whereas, since their removal from the Mid-Corridor to the island of Ebeye, such people have known undue hardship and difficulty, as evidenced by the following:

(a) The Trust Territory Government makes payment of \$40.00 per month for the subsistence of certain persons, who number only 194 out of a total of 1486 persons from the Mid-Corridor, leaving the others to provide for themselves;

(b) The sum of \$40.00 per month is in practice generally given to older persons in the population, yet there is no provision that once such person dies, his survivors shall receive such sum, thereby leaving widows and children without means of subsistence;

(c) The sum of \$40.00 per month is completely inadequate on the island of Ebeye where such persons are living, due to the applicability of the United States minimum wage laws on such island and the resulting high cost of living;

(d) Although housing and related facilities are provided to such persons, charge is made for the use of such facilities, with the result that monthly charges for rent, electricity and water service often exhaust the entire \$40.00 subsistence allowance, leaving such persons with no means for obtaining other necessities of life;

(e) Such persons have not been allowed, as required by the agreement, to return periodically to their islands and thus obtain food to supplement their already inadequate subsistence allowances, leaving such products as bananas, breadfruits, coconuts, and pandanus to rot without being harvested while persons from the Mid-Corridor are going hungry on Ebeye; and

Whereas, the Trust Territory, under its agreement with the Nike-X Project Office, Army Material Command, dated December 11, 1964, "reserves the right to re-open negotiations on the amount and nature of subsistence payments to residents if, in the sole judgment of Trust Territory, adjustment of subsistence is necessary to prevent undue hardship to the relocated residents"; now, therefore,

Be it resolved by the House of Representatives of the Congress of Micronesia, Fourth Regular Session, 1968, the Senate concurring, that the High Commissioner be and hereby is respectfully requested and urged to provide for the return of the people of the Mid-Corridor islands in Kwajalein Atoll to their home islands, or for the renegotiation of the Trust Territory Government agreement with the Nike-X Project Office to provide for the welfare of such persons; and

Be it further resolved that a certified copy of this Joint Resolution be transmitted to the High Commissioner of the Trust Territory.

Adopted August 3, 1968.

CENTRALIZED CATALOGING PROGRAM

(Mr. SCHWENGEL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SCHWENGEL. Mr. Speaker, when the bill to appropriate money for education was before the House, I supported the amendment to raise the appropriation on page 30 from \$5,000,000 to \$7,356,000.

This amendment relates to the centralized cataloging program which is administered by the Library of Congress. One of the major problems that has beset research libraries during the last century has been the cataloging of foreign-language material that they acquire. The Library of Congress had been cataloging English-language material and provid-

ing the information to libraries through the means of selling printed catalog cards. But the Library was not cataloging foreign-language material—at least not promptly enough to meet the research libraries needs. As a result, libraries were spending countless unnecessary dollars duplicating the cataloging of foreign-language books. Naturally, some libraries did not have persons with linguistic competence to catalog books that were needed by faculty and students and, as a result, the books that libraries acquired were not being made available to the library's clients.

When the Higher Education Act was before the Congress, the Association of Research Libraries, with the concurrence of the Librarian of Congress, presented an amendment that would give the Librarian of Congress authority to acquire all materials of value to research published throughout the world, catalog the material promptly, and distribute the cataloging information to the libraries throughout the country. This in effect would provide that the cataloging of foreign language material be done once and not be duplicated by libraries throughout the country. Librarians will tell you that it costs much more to catalog a book than to purchase it.

This program is a money-saving one and is essential if libraries are to provide the information needed by their clientele.

Research librarians have described this program in glowing terms and have pointed out that this Federal aid to education program has been one of the most important passed by the Congress. Dr. William Locke of the Massachusetts Institute of Technology has said:

The shared cataloging and foreign acquisitions program of the Library of Congress is the most important new venture on the national and international scene since the Second World War.

Dr. Jerrold Orne of the University of North Carolina Library has said:

I know of no other program in the Office of Education where so important and widespread a need is satisfied with the modest sum of money assigned for the purpose.

In my own State of Iowa, Dr. Leslie Dunlap, historian and librarian, has personally expressed to me the countless dollars that are being saved by the educational community because of this program. It is certainly a small way to provide such great assistance to the educational community. Each of us knows that it is essential to have an informed citizenry if we are to continue to be a nation of great achievements.

The measure that is before us today to provide funds for education is, I believe, one of the most important bills that comes before this House each year. I recognize fully the serious fiscal situation, but I feel we would be penny-wise and pound foolish to short-shrift education and I remind this body that Mr. Lincoln in his first public speech, speaking to the people of Sangamo County, Ill., on March 9, 1832, said on the subject of education:

I can only say that I view it as the most important subject which we as a people can be engaged in.

ARMS FOR OTHER COUNTRIES

(Mr. SCHWENGEL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SCHWENGEL. Mr. Speaker, I have, as many Americans, become increasingly concerned with our Government's program to furnish arms for other countries. While I recognize that in certain circumstances it could be in our national interest to furnish arms for a country who has stability and needs to protect its own freedoms and its own sanctity, but when we furnish arms for a nation that seeks only the perpetration of its hierarchy without a genuine concern for the welfare of its people, it is highly questionable we aid and abet the causes of peace with more modern implements of war. The real tragedy comes from having these same implements of war issued, given, or sold to a nation and then have them end up in the hands of opponents in the area, often in the hands of guerrillas. When this happens, it seems like we are involved in a program that leads to confusion and diffusion rather than solution.

It was an American who said on the eve of a crisis period, "Let us have faith that right makes right and in that faith, let us endeavor to do our duty as God gives us to see that duty." If we would accept this admonition by Lincoln and recognize also the importance of the 72 words he spoke in the last paragraph of his second inaugural where he said:

With malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in; to bind up the nation's wounds; to care for him who shall have borne the battle, and for his widow, and his orphan—to do all which may achieve and cherish, a just and lasting peace, among ourselves, and with all nations.

An admirer of his and a foreigner, spoke to the Congress of the United States in 1949 and pointed out that we were the torchbearers of freedom and admonished that—

If a generation must pay tribute and in doing so catch some of the fire that burned in the hearts of those who were the torchbearers of freedom not only for this country, but for the world. For those who are truly great have a message that cannot be confined in any particular country, but is for all the world.

These are admonitions and policies that need pondering on and a response to on our part.

So, Mr. Speaker, it would be my hope that my Government through its leaders and through Congress and through its citizens that must support all of our goals that we soon will find the message of our good will as people, and all the people of the world the message of the great documents of our country like the Declaration of Independence, the great court decision that established authority of government on one hand and the laws of our country on the other will serve us and the world well if we promote them.

Mr. Speaker, I call on all of us to ponder on these things as we consider solutions to plaguing problems all over the world.

Mr. Speaker, the reason I have taken the floor to speak as I have was inspired by the article called to my attention. It was published in the Argentine Weekly in Buenos Aires on June 12, 1969, showing what has become of our program to give arms, missiles of war without message of experience, of wisdom, and of admonition and without guarantees that these will not be used in a manner not intended by our Government.

The confirming evidences to this article is found in another article published in the Morning News of Friday, June 6, 1969. As I put these in the RECORD, I invite our Government leaders, especially, to ponder on the implications of our present program and to the thoughts I have revealed in the introduction of the insertion:

[From the Argentine Weekly, Buenos Aires, June 12, 1969]

GUERRILLAS

According to confidential reports originating from the U.S. Secret Service, Pakistan may have been involved in a vast plan for helping the Arab guerrillas, concretely the Al-Fatah. The operation of supplying arms to the Palestinians might have started after the fall of President Ayub Khan. Representatives of the Pakistani Armed Forces are probably involved in costly operations with arms traffickers from the U.S. itself and West Germany. According to the same sources, payments are being made in the now-convulsed Malaysia, in the extreme South-East of Asia. Pakistanis may have by now placed an order for 19,850 automatic shooters whose action begins from 10 minutes to 30 hours (as the case may be) after being put into operation. It was further gathered that officials of Pakistani Air Force are now in Jordan and Saudi Arabia, training their colleagues in these countries.

[From the Morning News, June 6, 1969]

YAHYA ASSURES AL-FATAH OF FULL SUPPORT:
HISHAM

RAWALPINDI, June 5.—Mr. Abu Hisham, the visiting leader of the Palestinian freedom-fighters' organization, Al-Fatah, said here this afternoon that President Yahya Khan had assured him of Pakistan's full cooperation and support for "our cause."

Addressing a Press conference, he said his meeting with the President earlier in the day had been "very successful and encouraging."

The Al-Fatah leader said "some demands" had been made to the Pakistan Government and discussions on them would be pursued by the organization's representative in Pakistan. He would not divulge the nature of the demands.

He said the Pakistan Government had agreed to the appointment of Mr. Khalid Mohammad Al-Sheikh, a young Arab accompanying him, as Al-Fatah's official representative in Pakistan. He would set up an office at Karachi very soon.

Mr. Hisham said that he was inspired "by the meetings he had with Pakistanis during his three-week tour of this country. The feelings and sympathies expressed by the people of Pakistan would surely strengthen the faith of the Palestinian freedom-fighters in continuing their struggle for the liberation of their homeland."

He expressed his confidence that with the support of the freedom-loving people of the world, the people of Palestine would defeat Imperialism and Zionism.

He thanked the people, the Government and the press of Pakistan for "their sympathy and support to the people of Palestine, and

hoped that they would continue to "stand by and support our cause."

Asked about the kind of assistance Al-Fatah would expect from Pakistan, he said: "We are waging a war—a long war—and every kind of assistance is needed."

Asked about the prospects of the current Four-Power talks on the Middle East crisis, the Al-Fatah leader said that Palestinian people's movement had withstood "tactics to suppress our revolution" and that they would continue their struggle till final victory.

Asked about the possibility of a political settlement, he said his people very much wanted peace based on justice, but they could not accept a peace involving surrender.

In reply to another question, he said his organization had offices in all Arab countries, Malaysia and now in Pakistan, and it had underground offices in America and European countries.

Asked whether Al-Fatah had any office in China, he said that "our relations" with that country were so good and her support so unreserved that there was no need of having an office there.

Questioned about the lesson learnt by his people during their struggle, he said it was that the masses, however small, could defeat any power with determination and faith and through sacrifices. They further learnt that they could achieve power by the use of the gun.

OFFICE IN KARACHI

The newly-appointed Al-Fatah representative in Pakistan, Mr. Khalid Mohammad Al-Sheikh, who was also present at the Press conference, said that the movement's office would start functioning in Karachi as soon as he reached there. All assistance could be sent to the office.

In reply to a question, he said that Pakistani volunteers wishing to fight alongside their Palestinian brethren could write to this office. They will have to fill up a form and they would be taken whenever their services were required.

The address of the Al-Fatah office would be: Post Box No. 7177, Saddar, Karachi, or 805-C, Block 2, PECHS, Karachi.

MEETS ASGHAR

Mr. Abu Hisham met Air Marshal Asghar Khan, the Convener of the Justice Party, here this morning and talked with him for about 45 minutes.

Mr. Hisham, according to Justice Party sources, explained to the Air Marshal the activities of Al-Fatah.

The Air Marshal, these sources said, assured the Al-Fatah leader all possible support from himself and his party, and said that he would be ready to visit any place to give any advice or help to the Palestinian freedom-fighters.

Mr. Hisham thanked the Justice Party Chief for the assurance of cooperation and support.—APP.

QUEST FOR PEACE IN THE SPIRIT OF APOLLO

(Mr. TALCOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. TALCOTT. Mr. Speaker, President Nixon's recent around-the-world visit was by all measurements quite successful. As one American, I am glad for this success; I am grateful for his effort in seeking worldwide peace; I am encouraged by the response of the people of other countries as well as the leaders of these countries.

I am tired and disgusted with the continual suggestion by some commentators and so-called reporters to the effect that "it seems incongruous that President Nixon would be so warmly received by the people of Communist Nations when he gained his early fame as an exposé of the Communist conspiracy in this country and the successful conviction of Communist assister Alger Hiss and his coconspirators." These commentators and reporters miss the essential point, they attempt to misdirect our memories, to mislead those in this country who are too young to remember, and to minimize or spoil the enormous contribution President Nixon is making to better understanding among men and to world peace.

"Walk together, talk together" is a meaningful slogan well known among many young people of the United States and many other countries. These young people and others will know that our President's worldwide trip has been helpful to us and to the objective of world understanding and peace.

President Nixon's successful exposure of the Communist conspiracy in our country was directed at the Communist philosophy and leadership—not at the people still in bondage in Communist countries. No leader of any other country could disguise the obvious genuine and enthusiastic good will of the people of Rumania for President and Mrs. Nixon.

This trip has been a useful step toward understanding and peace among people—all peoples of our little planet.

People understand the important distinctions which President Nixon is making. Politicians and commentators who chafe at the extraordinary success of the President and Mrs. Nixon's around-the-world visit cannot spoil a genuine feeling of mutual good will between the citizens of Nations.

With more of the Nixon people-to-people diplomacy, I believe the leaders of the Nations may soon come around to the obvious desires of their citizens.

Although these personal visits are risky, strenuous, and demanding, their extraordinary success requires their continuance. I congratulate the President and Mrs. Nixon.

WE MUST EXTEND THE TEMPORARY BAN ON DDT

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PODELL. Mr. Speaker, on Friday, August 8, the Department of Agriculture's 30-day ban on DDT will expire. I do not believe that it would be in the long-term interests of the people of the United States to allow that lapse to become permanent. It is imperative in the face of mounting supporting evidence that this ban be extended indefinitely by the Department of Agriculture.

In the past few weeks, evidence has accumulated that reinforces the suspicions already widely held regarding DDT's danger to man, animal life, and our total environment.

We already knew that certain forms of bird and fish life were being harmed or threatened with extinction because of DDT's long-term toxicity in the environment. After 10 years, it still retains a 50-percent potency. This has been the main reason for the drastic inroads made into eagle and peregrine falcon populations.

The coho salmon incident aroused the most widespread fears, although evidence is accumulating indicating that the situation exists in parallel or similar forms in many other freshwater lakes in the Nation. Most recently, evidence has been offered of DDT residues in lake trout in some of the most heavily fished lakes of upstate New York. Other evidence piles up with apprehensive regularity, including DDT residues in tobacco used in cigarettes, and a soon-to-be-released study showing it causes tumors in mice.

International concern is mounting, as other nations realize the menace this pesticide confronts all mankind with. Sweden, Denmark, and Hungary have banned its use entirely. Great Britain and the Soviet Union are studying possible moves to limit its use within their respective boundaries.

At home, Arizona and Michigan have already banned it, and a move to do the same in California has failed by the narrowest of margins. Major local jurisdictions have joined in the campaign. The Parks Department of the city of New York has ended its use.

Every citizen of the Nation must understand what ecology means to them. We simply cannot abuse the environment any further, for its damage is our personal eventual damage. The Department of Agriculture must extend the ban indefinitely.

FREEDOM TO POLLUTE UNHINDERED

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PODELL. Mr. Speaker, the entire Nation was distastefully shocked by the Santa Barbara oil spill. Federally owned offshore lands on our Continental Shelf are known to be rich in oil. This is true of our gulf and west coasts, and indications point to a similar possibility off the east coast. Leases to drill for oil are therefore highly valuable. The Santa Barbara Channel area was long known to be rich in such undeveloped resources. When the Federal Government offered these leases for bids, oil companies paid out over \$600 million for rights to drill there. Soon, rigs dotted the channel, which was also known to contain many geological faults. Earthquakes were also common there.

Poor supervision and shortsighted exploitation eventually confronted the Nation with the worst case of offshore oil pollution in our history, comparable to the *Torrey Canyon* tanker disaster off the British coast. Loud public outcries ensued. Tighter drilling restrictions were imposed. Even now, pollution of the Santa Barbara Channel continues at a

decreased but definite rate. Yet it seems that the oil industry has learned nothing.

Now this industry has evinced strong opposition to the Government's plan to hold public hearings before it offers more offshore oil drilling leases. The industry even challenges the Secretary of the Interior's authority to order full evaluations of the potential effect of the leasing program on any total environment affected by such drilling. His efforts to protect our national environment from such pollution is challenged by the industry. These views have been officially filed by the oil companies with the Bureau of Land Management, which supervises the entire leasing program.

One of the major points raised by the public throughout the Santa Barbara spill was that it was not consulted or allowed to present views when these leases were given out by Government to industry.

The industry expresses its view that allowing the public to voice any protests or offer opposing views at public hearings would delay the leasing process and inhibit exploration activities. In other words, the public's right to be consulted on basic environmental consequences should be abrogated to allow the oil industry to continue with a program which has already resulted in major offshore oil pollution. This is the position of an industry which already enjoys unprecedented tax privileges at expense of the American public.

Evidence in California is unassailable. What will eventually be discovered regarding disruption of the food chain by the oil spill we can only guess at. It is only commonsense to tighten leasing restrictions and allow the public access to hearings where national wealth and resources are being allocated. Further, these drilling operations will definitely affect the public for years to come, as continuing consequences in California amply illustrate. How, then, can the oil industry blatantly come forward and demand exclusion of the public in such a case?

Mr. Speaker, pollution of any kind affects every American directly. Days of untrammeled industry exploitation which disregards long-term public interest must come to an abrupt end. If the oil industry triumphs in this case, our entire environment will remain open to further catastrophes similar to what transpired in California. We possess a finite amount of clean air, water, and land. Our resources are limited, as well. Progress and industrial exploitation by all means. But the public interest and an end to pollution by unthinking exploitation must become paramount.

GOLD HOLDINGS

(Mr. PASSMAN asked and was given permission to extend his remarks at this point in the RECORD and to include a table.)

Mr. PASSMAN. Mr. Speaker, I insert the following table addressed to "whom it may concern":

JULY 1, 1969

	Date	Amount
Gold holdings, United States.	Dec. 31, 1950.....	\$22,879,000,000
Do.....	Dec. 31, 1968.....	10,367,000,000
Gold loss by United States.	1950 through 1968.....	12,512,000,000
Gold holdings, other countries of the world.	Dec. 31, 1968.....	28,028,000,000
Do.....	Dec. 31, 1950.....	10,935,000,000
Gold increase, other countries of the world.	1950 through 1968.....	17,093,000,000

SHORT-TERM DOLLAR CLAIMS

Against United States.	Dec. 31, 1968.....	\$35,665,000,000
Do.....	Dec. 31, 1950.....	8,645,000,000
Increase against United States.	1950 through 1968.....	27,020,000,000

U.S. BALANCE OF PAYMENTS

	Amount
Net deficit:	
1950.....	-\$1,912,000,000
1951.....	-578,000,000
1952.....	-1,100,000,000
1953.....	-2,100,000,000
1954.....	-1,500,000,000
1955.....	-1,100,000,000
1956.....	-1,000,000,000
Net surplus:	
1957.....	+500,000,000
Net deficit:	
1958.....	-3,400,000,000
1959.....	-3,700,000,000
1960.....	-3,800,000,000
1961.....	-2,400,000,000
1962.....	-2,200,000,000
1963.....	-2,660,000,000
1964.....	-3,006,000,000
1965.....	-1,306,000,000
1966.....	-2,077,000,000
1967.....	-3,650,000,000
Net Surplus:	
1968.....	+93,000,000
Net U.S. balance-of-payments deficit.	-36,896,000,000

GROSS PUBLIC DEBTS

	Date	Amount
Public debt, United States....	Dec. 31, 1968	\$361,242,183,000
Public debt, all other nations	do.....	304,160,241,000
of the world.		
Difference (estimate) ¹		57,081,942,000

Note: The above are verified statistics covering (1) gold holdings, (2) short-term dollar claims against United States, (3) U.S. balance-of-payments position (19 years), (4) public debt of the United States, (5) public debt of all other nations of the world, and (6) amount by which our public debt exceeds combined public debt of all other nations of the world. It is not necessary for me to comment further. The statistics tell the full story.—Otto E. Passman, Chairman, Foreign Operations Subcommittee on Appropriations.

¹ Public debt, United States exceeds combined public debt of all other nations of the world.

ASTRONAUTS SHOULD TOUR THIS HEMISPHERE FIRST

(Mr. FINDLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FINDLEY. Mr. Speaker, In the next few weeks the brave American explorers, the Apollo 11 astronauts, will be accorded richly deserved tributes of affection and esteem in public appearances here at home, and consideration doubtless soon will be given to requests for goodwill appearances abroad.

I have written to Secretary of State Rogers to encourage him to schedule such foreign appearances as soon and extensively as possible, and in the scheduling to give first priority to requests from nations in the Western Hemisphere.

The success of our astronauts represented more than a great American achievement. In the words of President Nixon:

Those three brave men are not just Americans. They represented all of mankind.

People everywhere, of every nation, rejoiced and took pride in each successful episode of the voyage. Through the medium of television, each experienced vicariously the thrill of Neil Armstrong's first steps on the moon.

Across the world, the enormity of the accomplishment has created a reservoir of good will toward the American people. Nowhere was it more evident than in this hemisphere. Argentinians left their jobs to watch the astronauts land, proud of the fact that these were representatives from the Western Hemisphere. In Caracas, Venezuela, church bells rang when the lunar spaceship Eagle touched down and the following day was declared a holiday. The Venezuelans now want to make our Apollo 11 astronauts honorary citizens. Similarly, in Canada all public attention was focused on this achievement, as the Toronto Telegram headlined "One Giant Leap for Mankind."

It would be especially fitting and proper for the astronauts to begin their world tour by visiting first the nations on this side of the earth. This would serve to enlarge and deepen a community spirit encompassing the hemisphere and to provide as well a needed reinforcement of good will both south and north of our borders.

To the south, priority attention from our astronauts would heighten the prestige of the United States as could no amount of foreign aid dollars and help erase the memory of the disappointments and disagreeable events of recent years.

To the north, it would bring reassurance of the importance we attach to the friendship of our sometimes-neglected NATO ally, Canada.

Foreign tours of our astronauts will begin somewhere, and I can think of no better place to start than among our good neighbors, north and south.

ON \$20,000 FARM PAYMENT LIMIT

(Mr. FINDLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FINDLEY. Mr. Speaker, I have discovered a colossal error in the research on which Agriculture Secretary Hardin based his criticism of the amendment which limits to \$20,000 annually payments under farm programs to individual farmers.

In testimony to the Senate on June 4, Secretary Hardin argued that the amendment, accepted by the House, would actually lead to a \$160 million increase in cotton program costs because it would automatically activate a snapback clause which in turn would replace the

present direct-payments program with one consisting of Government loans, purchases, and sales.

Opponents of the payment limitation relied heavily on Secretary Hardin's forecast. In fact, it was crucial in the Senate action which deleted the limitation from the House-passed appropriation.

I was astonished to learn of the cost estimate made by Mr. Hardin, and requested from the Department of Agriculture the documents which would show in detail the assumptions and computations involved in the forecast. These were furnished to me by Mr. Kenneth E. Frick, Administrator of ASCS. I have examined them carefully.

Several of the assumptions set forth in the document are open to question. In fact, in my opinion, they are unjustified.

But the most glaring error is a misrepresentation of an expenditure. Counted entirely as cost rather than investment in inventory is \$432 million. This would be expended for cotton by the Commodity Credit Corporation, later to be resold. Only the portion which reasonably can be expected to be inventory loss should be counted as cost. That would be the difference between market value and acquisition price, and in this case a reasonable cost figure would be \$98 million—not \$432 million.

Treating inventory investment as pure cost is gross misrepresentation. This was, I am sure, inadvertence on the part of the Secretary, and I am confident that he will act promptly to correct the record.

Correction is very important, because the issue over the \$20,000 limitation still has not been resolved. The House accepted the amendment by an overwhelming record vote. The Senate rejected it by a substantial margin. House conferees have not yet been named.

I firmly believe many of the Representatives and Senators who opposed the payment limitation amendment based their opposition primarily on the erroneous warning by Secretary Hardin that it would lead to higher, not lower program costs.

Accepting as valid every single assumption made by Secretary Hardin in his analysis—except the one which treats as pure cost the investment in cotton inventory—program costs would actually go down under the operation of the snapback clause. Moreover, income to cotton farmers would be significantly increased.

Following is the text of my letter to Secretary Hardin:

HON. CLIFFORD M. HARDIN,
Secretary of Agriculture.

DEAR MR. SECRETARY: In your statement to the Senate Appropriations Agriculture Subcommittee on June 4 in opposition to the \$20,000 limitation on individual payments to farmers, you stated that the provisions of the snapback clause of the present cotton program would increase the "cost" to the government by \$160 million if they became operative for the 1970 crop.

The use of the word "cost" was unfortunate, because it left the erroneous impression that the expenditure would be entirely non-recoverable.

Actually, a careful examination of the computations and assumptions your staff used in analyzing the effect of the snapback clause leads inevitably to the conclusion that it

would reduce program costs to the government and at the same time increase income to producers. Accepting as valid all the assumptions your staff made, the snapback clause would give cotton farmers in 1970 a \$350 million boost in income, compared with last year. Program cost, \$879 million compared with \$975 million, would be down \$96 million.

In Table 5 appended to your statement, you showed a net change of \$432 million in stocks at loan rate. This item can hardly be termed cost in the usual sense, unless the words cost and investment are used interchangeably. Using the last 3-year average market price for cotton, 24 cents, we could assume the government in time would recover about \$120 for each bale that went into the increased carryover. This would mean a projected net loss in this increased carryover of \$98 million, not the \$432 million gross outlay you listed.

Under the snapback clause, the major expense items based on the assumptions you would be \$156 million for diversion payments, \$595 million for losses on sales and \$98 million predictable loss on increased carryover—making a total of \$879 million. This is \$117 million less than the \$966 million in payments forecast under the present program for the 1970 crop.

Accordingly, I feel that you may wish to correct your statement as to "cost" under the snapback clause.

By your own figures, cost under snapback will actually be less, not more. Your figures show cotton producers getting \$60 million more from the 1970 crop under snapback than the present program (farm value of production plus payments), and \$350 million more than in 1968. This makes the argument against snapback difficult to comprehend.

Moreover, several assumptions made in producing the estimates are open to question. Understandably they are designed to make snapback look unattractive. Reasonable modifications in the assumptions would reduce sharply the cost estimates under snapback.

For example:

In light of the import controls on raw cotton, it can reasonably be anticipated that the higher support price under the operation of the snapback clause would result in a market price higher than 24 cents.

If the market price should rise to 26 cents, for example, the net loss on the increased carryover would drop by \$27 million. Each one-cent increase in market price would reduce carryover losses by \$13.5 million. Corresponding cost reduction would also of course occur on CCC sales.

In your forecast you assume a yield of 550 pounds per acre. With the 1968 yield at 515, and 1969 forecast at 520, a yield of 530 would surely be more reasonable than 550. Yield has never reached 550 pounds average. A diversion payment rate higher than the 10 cents you specified could be expected to take additional acres out of production. In 1968 the program secured a diversion of 3.2 million acres for payment. Acceptance of your figure of only 2.4 million would therefore seem debatable at best.

These variable factors, together with the recoverable character of the item you described erroneously to be cost, lead me to conclude that net program cost under the snapback clause for the 1970 crop would actually be substantially less than the cost you project under the present direct-payment program. At the same time farmer income would go up.

If, as I have suggested, you administer the snapback clause under the option of simultaneous purchase and sale—a procedure which the Comptroller General has described as a payment program and therefore, in my view, subject to the \$20,000 individual limitation—even greater program-cost reductions would be realized.

I would appreciate a word of clarification for the benefit of those who may have been misled by your statement to the subcommittee.

Sincerely,

PAUL FINDLEY,
Member of Congress.

Following is the text of the transmittal letter from Mr. Frick, together with the worksheet and assumptions for snap-back computations that he supplied to me:

U.S. DEPARTMENT OF AGRICULTURE,
AGRICULTURAL STABILIZATION AND
CONSERVATION SERVICE,
Washington, D.C., July 11, 1969.

HON. PAUL FINDLEY,
House of Representatives.

DEAR MR. FINDLEY: Per your request I am enclosing detailed notes concerning the computations and assumptions we used in analyzing the effect of the implementation of a snap-back program for cotton.

Sincerely yours,

KENNETH E. FRICK,
Administrator.

WORK SHEET AND ASSUMPTIONS FOR SNAP-BACK COMPUTATIONS

1. Assume the Secretary would offer voluntary diversion at a payment rate of 10 cents per pound on up to 35 percent of the producer's allotment.
2. Planted plus diverted is estimated at 12.7 plus 2.4 equals 15.1 million acres; this compares with an adjusted allotment of 15.3 (16.2 minus .9). The incentives for either diversion or planting are so high that there would be very little "slippage."

3. Voluntary diversion payments would be subject to a limit of \$20,000; therefore, we have assumed that only about half of the 5 million acres eligible for diversion would be diverted.

4. The difference between planted and harvested is estimated at only 600,000 due to the fact that under the snap-back, benefits accrue to farmers on actual production rather than projected production.

5. Average yield is estimated at 20 pounds higher due to the above reason and additional acres planted in skip-row patterns.

6. Ending stocks are estimated to be 1.5 million bales higher than under present program; CCC stocks, however, are estimated to be 2.1 million bales higher. This is due to the fact that with surpluses beginning to build up again the trade would carry less stock. This results in a nonrecurring CCC outlay of \$96 million (\$160 per bale times 600,000 bales).

7. Current parity for cotton is approximately 48 cents; the minimum support rate of 65 percent would indicate that the support price for average of the crop could not be less than 31.2 cents.

8. The expenditures of \$432 million is merely the 2.7 increase in CCC stocks times \$160 per bale.

9. Storage and handling costs are estimated up 50 percent in line with the increase in CCC stocks.

10. Producer payments are calculated as follows: 2.4 million acres diverted at projected yield of 520 pounds equal \$125 million plus \$31 million in small farm payments for a total of \$156 million.

11. Total disappearance of 11.9 million bales at a CCC loss of \$50 per bale accounts for the snap-back loss of \$595.

Nation's integrated transportation system is being threatened today by the increasing number of discontinuances of service being granted by the Interstate Commerce Commission. There is a real need, Mr. Speaker, to reevaluate the process whereby these discontinuances are being granted and to give considerable thought to Federal policies of assistance for railroads in order that needed passenger service can be maintained.

I have today, Mr. Speaker, introduced a bill which will do the above and I am hopeful that this measure will receive the deliberation and review it warrants.

A VIEW FROM DOWN UNDER

(Mr. WALDIE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WALDIE. Mr. Speaker, a good friend of mine and a former pastor in my district, the Reverend Mervyn M. Betts, is now performing his ministerial duties in New Zealand and recently wrote me of his own observations on the magnificent feat of our space program in landing the first men on the moon. Mr. Speaker, I should like to have Reverend Betts' comments inserted into the CONGRESSIONAL RECORD for the benefit of all the Members.

The letter follows:

JULY 21, 1969.

Mr. JEROME R. WALDIE,
U.S. Congressman,
Washington, D.C.

DEAR JERRY: My wife and I send to you from "Down Under" . . . "Under the Moon"! our deepest joy and congratulations to you as an American friend. The whole world must rejoice at this fantastic achievement. It reveals the great heart of man, steeped in courage . . . for the Peace of the world. "In quietness and confidence shall be (America's strength) your strength."

At this time we miss America terribly, but rejoice with you and are one with you in spirit and today we truly say "God bless America." Hope we will meet again—Down Under or up top!

God bless you in your great work.

Sincerely,

MERVYN M. BETTS.

A PARENT'S LOOK AT THE "PEOPLE'S PARK ISSUE"

(Mr. WALDIE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WALDIE. Mr. Speaker, it has been some weeks since the tragic confrontation at Berkeley between students and police over the "people's park." A great amount of rhetoric has flowed since this incident and more is sure to come.

Mr. Speaker, Dr. Seymour M. Farber, dean of educational services at the University of California's San Francisco Medical Center, spoke at commencement exercises on June 6 at the Cambridge School of Weston. His address touches on this issue with insight, clarity, and compassion.

Mr. Speaker, I would like to include this speech in the CONGRESSIONAL RECORD and I sincerely hope that all the Mem-

TABLE 5.—UPLAND COTTON—ESTIMATES OF BASIC DATA FOR 1968 THROUGH 1970 CROPS (BASED ON PRESENT PROGRAM) AND 1970 UNDER THE SNAPBACK PROVISION

Item	1968 crop (1)	1969 crop (2)	1970 crop	
			Present program (3)	Snapback (4)
Acreage (thousands):				
Allotted	16.2	16.2	16.2	16.2
CAP, CR, adjustment, etc.	1.0	.9	.9	.9
Diverted for payment	3.2			2.4
Planted	10.9	11.9	11.9	12.7
Harvested	10.1	11.1	11.2	12.1
Field: Pound per acre harvested	595	520	530	550
Supply and utilization (1,000 bales):				
Production (including imports and city crop)	10.9	12.1	12.5	14.0
Beginning stocks (including preseason ginnings)	6.3	6.6	7.2	7.2
Domestic disappearance	8.1	8.3	8.4	8.4
Exports	2.5	3.2	3.5	3.5
Ending stocks	6.6	7.2	7.8	9.3
CCC stocks July 31	3.0	3.6	4.2	6.3
Price (in cents):				
Support price per pound (Middling 1 inch)	20.25	20.25	20.25	32
Support price per pound (average of crop)	19.69	19.71	19.71	31.25
Price support payment rate	12.24	14.73	17.31	
Diversion payment rate	10.76	6		10
Producer payments	784	826	966	156
Farm value of production (million dollars)	1,192	1,290	1,302	2,172
Total (million dollars)	1,976	2,116	2,268	2,328
Major receipts or expenditures (million dollars):				
Net change in stocks at loan rate	-230	-60	-60	-432
Storage, handling, and loan settlement	-3	-18	-20	-30
Producer payments	-742	-826	-966	-156
Snapback loss on sales or loan repayments				-595
Subtotal, price support expenditures	-975	-904	-1,046	-1,213
Public Law 480	-82	-70	-70	-70
Estimated major expenditures	-1,057	-974	-1,116	-1,283
Change in CCC stocks (million bales) (from June 30 of prior year)	+2.2	+0.6	+0.6	+2.7

¹ Volume. ² Fiscal year.

RAILROAD PASSENGER SERVICE IS VITAL

(Mr. WALDIE asked and was given permission to extend his remarks at this

point in the RECORD and to include extraneous matter.)

Mr. WALDIE. Mr. Speaker, high-level passenger rail service as a part of our

bers will find the time to read this extraordinary "letter to a son":

COMMENCEMENT ADDRESS AT THE CAMBRIDGE SCHOOL OF WESTON, JUNE 6, 1969

(An open letter to my son, by Seymour M. Farber, M.D.)

DEAR ROY: I don't believe fathers have ever found it easy to communicate with their sons. But at a time when the world seems capable of burying its future through simple blindness—when ideologies and people clash with a violence and din that paralyzes reason—and when wars and the potentials for even greater destruction to the human spirit must intimidate all but fools—in this kind of scene, it's more difficult than ever for us just to talk quietly with one another.

And on top of that, we're all so busy. I'm a physician. And because I take that seriously, I feel an obligation to my patients that I can't explain any better than the oath I took more than 30 years ago. In my small way, I'm also trying to exercise the duties and responsibilities of a concerned citizen. It's also true that there are times when I am silent, when in my heart I know I should speak.

And you and your classmates are away from home. You've got books to read, and much more important, ideas to grapple with. You're under academic pressure to unravel the past for your instructors, and also, to make sense out of it for yourself today. You're meeting all kinds of different people, trying to understand them and to discover the real and potential boundaries of yourself.

The allowable and the desirable are in conflict within you. You're trying to find workable, and personally acceptable rules, to deal with an endless tug between "is" and "ought". You want your life to be personally satisfying to yourself and also to the people and ideals you cherish. Most of all, you want your life to make a difference.

All this, I know, is a very, very difficult job. Almost as difficult as a man trying to be a good father to his son or daughter.

And because of these pressures on both of us, I with my work in California, you at school a continent away, when will we find the time to talk?

And yet, I want to talk to you about Berkeley. About the terrible things that people have done to each other in Berkeley. I want to talk about these things to you, because the battered heads and the possibly shattered ideals of the people in Berkeley also matter to us. Roy, it's important to me to try to tell you what I, as a physician and a father, see in these events—to suggest a basis for beginning to work our way out of them toward something positive and good.

I suppose it would help to try to summarize the events up to this time—when there is a relative calm on the streets—as plans are being made for a Memorial Day march in Berkeley to People's Park.

No one can say what will happen when perhaps 30,000 people try to gather at the cyclone fence surrounding a once vacant lot of land. (When the marchers on the outside, and the national guard bivouacked on the inside, view each other through the fence.) The fence and People's Park are the symbols and the facts that make up the issue.

Four blocks from the Berkeley campus, just east of Telegraph Avenue, there is a 270 by 450 foot plot of land owned by the University of California. About a year ago, the buildings on this plot were torn down to make room for University development—a soccer field and dormitories. This development did not proceed, and the lot, uneven and littered with rubble and garbage, remained unused. This was the situation until about the middle of April, when the "street people" began what they called a "spontaneous development" of the land.

Hundreds of these people, later joined by students and "straights" laid down sod,

planted trees and shrubs, installed playground equipment for children, and in short, made an open recreational space. The results of their work they called "People's Park."

During the three weeks that this activity continued, no serious attempt was made to interfere or to stop it. The park was policed by the "street people" and used by them and the residents of the area, who brought their children there to play. However, all this while, the University was in fact the undisputed legal owner of the land—and the University had not authorized its use.

The "street people", most of the students, and many of the faculty, now feel that the University had not seriously attempted to resolve the conflict. The University administration states that they tried to negotiate, but that the other side was unresponsive to their efforts. I am convinced that the University tried and tried again to negotiate with fairness and firmness.

This is the polarized background of the tragic events that began about 4 a.m. on May 15th. At that time, two or three hundred police arrived at the park to supervise workers who erected an 8-foot cyclone fence around the entire lot, on orders of University authorities. Later that day, during a noon rally on campus to protest the fence, several thousand demonstrators left the rally to take over the park. Many were extremely militant, and some threw dangerous missiles and angered the police. The police responded by an attack with gas, shotguns, and clubs. Later that day, after continuing street fighting and violence, the national guard was called.

On May 16th and 17th order was maintained by police from several surrounding cities, the Alameda County Sheriff's Department, and several thousand guardsmen patrolling the streets with rifles and fixed bayonets.

May 18th. It was reported that James Rector, a 25-year old nonstudent had been seriously wounded while observing the rioting from a rooftop. Many others had also been wounded by shotguns. Doctors in Berkeley stated that the wounded they were treating had been injured by large buckshot as well as small birdshot pellets.

May 19th. James Rector died of shock and hemorrhage due to multiple buckshot wounds which perforated the aorta. Another young man wounded during the rioting by buckshot had definitely lost the sight of one eye, with the prognosis for the other in doubt.

May 21st. Several hundred protesters led by faculty members attempted to hold a memorial march for Rector. They were turned back by police because of emergency regulations banning demonstrations. They became trapped in a campus plaza between police and guardsmen, where gas was sprayed on them from a helicopter. The heavy cloud of gas also affected uninvolved students leaving classes, faculty, campus employees, and was blown into the campus hospital, as well as adjoining parts of Berkeley.

May 22nd. The national guard confirmed earlier charges that more than tear gas had been sprayed in the plaza. In addition, physicians asserted that two more gasses had also been used in Berkeley: nausea gas, which can cause simultaneous, instant diarrhea and projectile vomiting, and also a form of blister gas.

May 23rd. Almost 300 people gathered in downtown Berkeley in violation of emergency regulations banning demonstrations. When they failed to disperse at police orders, they were arrested. In addition, over 200 others were rounded up and arrested from among passers-by, people on personal business, and customers in a bank and nearby stores. A mailman was arrested, as was a reporter for the San Francisco Chronicle.

May 24th. The nearly 500 people arrested the previous day had been taken to the

county jail. Their experiences were disclosed by the arrested reporter and included: being forced to lie down on asphalt pavement while waiting to be booked; indiscriminate clubbings during the booking and subsequently, accompanied by further threats of violence, cursing and other forms of verbal abuse and insult; denial of medical aid to a man with a shotgun wound; a Viet Nam veteran was clubbed senseless.

May 25th. At an extraordinary open hearing, the Berkeley City Council heard expressions of widespread shock, terror, and abuse by large sections of the Berkeley community. In response to this, the Council requested that the Governor recall the national guard and rescind the state of emergency under which Berkeley was being governed. The governor felt it advisable to deny both requests.

On May 26th and 27th, the situation was relatively quiet except for sporadic small demonstrations at various locations. The national guard was pulled back to a central bivouac away from the city proper, but about 150 remained camped inside the fence surrounding the park. Small groups of demonstrators conversed with the guardsmen and playfully tried to water the trees and grass inside the park, most of which had by now been trampled and destroyed. Others taunted and attempted to incite the guardsmen.

And now, on May 28th, as this is being written, we wait for the Memorial Day march. Roy, it has been more difficult than I can say, to keep all these events clear and in perspective. There are things I know I've left out, and others have simply been forgotten and in a few weeks much of the above may have a different meaning as events have new light brought upon them. And, I've been selective, but I've tried to give a true and restrained picture. But what is that picture?

Many hundreds of people have been arrested. No one knows how many hundreds more have been clubbed, gassed, or shot. One student was bayoneted in the back, and scores of police have been injured, at least one stabbed in the chest. One man is dead. Another is blinded. Most dreadful of all, elementary school children have seen what has gone on. Their teachers have reported how frightened they are, how some of them vomited from the gas, and how others have had nightmares in which roaring helicopters pursued them from overhead.

Literary shrieks of rage, as well as solemn speeches are heard in all quarters demanding—investigations, acceptance of responsibility, punishments, remedies, alternative choices, and God knows what else. Everyone deplors the situation. Everyone has a point of view, and many, like me, are torn by conflicting feelings.

I think you know my deep personal sympathy for the aspirations of most of the students. They and other young people, incomparably more than anyone else, have forced the world to remember that hypocrisy is morally reprehensible; and that coupled with entrenched self-delusion, it is unworkable. But I also have a loyalty to the University, which I have tried to serve for over 25 years, and which I believe we absolutely must protect, if threats to a free society are to be forestalled and defeated.

The dilemma, in one form or another, is faced by all of us. But during these past two weeks, it has finally begun to dawn on me that as a physician, of all people, I should understand some of the reasons behind our apparent inability to deal with the dilemma. Like everyone else, whether outraged radical or fulminating politician, it is impossible to put the pieces together properly, to think clearly and constructively—when we are under severe and prolonged stress.

I should know that when my body is subjected to sudden or prolonged stimulation—such as anger, fright, or injury—large amounts of adrenalin are released and pour throughout any system. As adrenalin passes

through my body it causes a wide variety of responses: the rate and strength of my heart-beat is increased; my spleen contracts vigorously, forcing blood reserves into general circulation; my blood sugar rises and my metabolic rate shoots up drastically; the bronchi dilate, easing the flow of air into the lungs; the pupils of the eyes dilate; and, I remain in this general, systemic state of excitation and stress until the whole process wears itself out, leaving me physically and mentally exhausted. If I'm not careful, if I don't take some active measures to control what I do and try to get back on an even keel, this whole process will be automatically reactivated by stimulation from the pituitary and the cycle of excitation and possibly irrational behavior will begin again, perhaps escalated to even greater heights of unbalance.

This physiological process doesn't have anything to do with the rightness or wrongness of moral stands we take. When we're under this kind of severe stress, it's practically impossible to be sure that the judgments we make are sound, constructive, and rational. And when we get so keyed up that we don't even realize what is happening to us, we are headed for trouble—ours, or someone else's or both.

The direct relevance of this became clear to me last Monday night, as I listened to a remarkable discussion over the radio. For over two hours, the Fence and People's Park were discussed around a table by four gravely concerned men—the Berkeley Chancellor and the Mayor, a representative of the "street people", and the student body president. As they spoke from their individual points of view, with each view containing merit and strength, I heard four men suffering the anguish of terrible pressure. In this state of individual stress and mutual conflict, otherwise capable minds became inflexible, evasive, demagogic, and enraged. How, under these conditions, could they do justice to themselves—and to the issue?

But Roy, I can't tell you how good it was to hear the student body president suggest a basis for resolving this growing tragedy. He repeated over and over again his compelling reasons for wanting the fence to come down—but non-violently. He urged that on the Memorial Day march, and thereafter, students, community and "street people" continue to press in every way possible for what they believed—but without violence. He was saying that the fence could come down from non-violent pressure and that with violence it would not. The wisdom I heard in his words didn't contain an immediate, specific solution to the problem. But it offered an approach.

But what about the fence? I know that with calmness, something good will happen. I hope the University, the City of Berkeley, and most important, the people, can unite in a consortium of honor to give the people a People's Park. But without violence—because the issue goes beyond this particular fence and this particular park. The great social forces that made the fence an issue, will create other issues, perhaps even more important than this one. Perhaps containing the ingredients for even greater provocation—and a still higher level of retaliation.

Under conditions such as these, where there is great individual and general stress, can we afford the luxury of hostile words and aggressive acts—at the expense of clear thinking? I think that losing our cool is much too high a price to pay. If there's anything I've learned from the horrifying events in Berkeley, it's this: When reason is enslaved by inflexibility and rage, everybody loses.

We can, and should press for our beliefs. We can and should, as you would say, rap with each other. But, we should protest any violations of law and human rights through constructive channels even, and especially, in

the face of delays and frustrations. And to do this, in the face of frustration, we absolutely must keep our heads—we must not lose our cool under stress. That's the best way to help bring down the fences, literally, and all that they represent, symbolically. More important, that is the best way to raise practical monuments to human justice, to human need, and to legitimate human aspirations.

But to accomplish this in the world as it is, we have to communicate with each other before stressful situations escalate out of sight, before they polarize us into warring factions—when truth is the first casualty and when saving face is more important than solving problems.

Roy, I have to tell you and your classmates straight out that during the next four years of college, I doubt that conflicts all over this country will bring rapid, constructive changes. But the basis for progressive solutions is attainable if we open up genuine lines of communication between students and faculty, with administrators, with our legislators and the general public, and most of all, between parents and students.

I've sadly reflected that only a scattering of parents of students at Cal appeared in Berkeley during the crisis, when their sons and daughters were in danger. If students had been communicating with their parents continually over the past years, would this have been so? What if the 12,000 students on campus who voted for the People's Park had been in continuing dialogue with their parents, explaining their feelings and their reasons for these feelings; and what if 24,000 parents of these students had joined the issue by supporting their children before college administrators, legislatures, and law enforcement agencies—would there have been violence? And would we be closer to a practical solution?

I wish there were a nationwide course in communication at all levels of education and for all age groups. Communication was never more necessary between students and their parents, because Roy, we parents have much to learn from our kids. I've certainly learned from you, and if you continue to explain to me what you think, I hope I will be capable of learning more. But students and parents have to talk and to listen to each other, prior to the explosions of stress, which make dialogue and solutions impossible.

I urge you and your classmates to consider this. Only after parents and students have genuinely and openly exchanged views, can we effectively assist you, in representing those views where decisions are made.

Since this was written, we've had the Memorial Day march, and mercifully, it was peaceful and non-violent. I wonder how much more effective this demonstration might have been—whether it would even have been necessary—if there had been better communication, before stress and a fence divided the community.

This has been a long letter. Roy, we'll be in San Francisco tonight, and you're leaving for a job in Yosemite tomorrow noon. There isn't going to be much time for communication as we try to sort out all the stuff you've sent home. But we have the type of apartment overlooking San Francisco Bay that lends itself to all sorts of junk, and I know you have it, and also for sleeping bags on the floor, and despite being the Far West, we have bathrooms that work. So please be sure you invite your classmates to stop by for a night or longer, this year or next year or any year, and give us all an opportunity of beginning and continuing life-long friendships.

Roy, a few minutes ago, as we were coming into this hall, you said, "Dad, I've never heard you speak. I wish you well." Well, Roy, I too wish you well, and I wish all your classmates well in the coming years.

OPPOSITION TO EXTENSION OF SURTAX INTO 1970

(Mr. VANIK asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. VANIK. Mr. Speaker, tomorrow, the Rules Committee will consider H.R. 13270, the Tax Reform Act of 1969, which should be more properly called the Tax Reform Act of 1969 and the Surtax Extension Act of 1970. This bill provides some reform for certain groups and individuals—but it also provides a 5-percent surtax for the first 6 months of 1970 on all who pay taxes. The addition of the surtax provision constitutes a \$3.5 billion downpayment for reform of little or no value for the average taxpayer. It is no bargain.

What we need here is truth in packaging. For the average taxpayer who does not own an oil well, it is a big fancy box with nothing inside.

It is incredible, for example, that tax rates should have been reduced from 70 percent to 65 percent for the wealthy, a 7-percent reduction, while a great body of other taxpayers are limited to a 1 point or 3-percent reduction in their tax rate. It is regrettable that the committee refused to provide tax relief by way of increased exemptions which is meaningful and clearly understood by every taxpayer. A taxpayer who supports dependents very often shoulders an obligation that would otherwise become a public obligation. The contribution which a taxpayer makes for the training and development of the young provides the future tax base which is required to provide strength and growth to the Nation. The failure to consider increased exemptions disregards a very critical need in the tax reform program which I hope can be corrected. It is also regrettable that exemptions were not extended to those who face the added burden of supporting the retarded and the handicapped. They are assuming a responsibility which deserves a wider base of support.

In the final moments of consideration of the tax reform bill last week, the Ways and Means Committee attached a provision to extend the surtax at 5 percent from January 1, 1970, through June 30, 1970. In view of the action of the Senate, concurred in by the administration, and approved by the House today to extend the surtax for 6 months to December 31, 1969, it is difficult to understand why the House should be compelled to vote further on the surtax matter. With no contest on the floor, a change of only 33 votes would have defeated the proposal to extend the 10-percent surtax to December 31, 1969.

I will go before the Rules Committee today and ask that the Rules Committee report out a modified rule which will permit the House to express its will on the extension of the surtax at 5 percent for the first 6 months of 1970. Since 170 Members of the House voted against the proposal to extend the surtax to December 31, 1969, it is reasonable to assume that an overwhelming majority of the Members of the House are unalterably opposed to extending the surtax beyond

December 31, 1969. We are certainly entitled to a vote on this issue.

I urge those who oppose the further extension of the surtax into 1970 to appear before the Rules Committee tomorrow, Tuesday, August 5, and support a modified open rule to permit a vote on the extension of the surtax.

GUN CONTROL NONSENSE

(Mr. RANDALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RANDALL. Mr. Speaker, an editorial in the Washington Evening Star which appeared on last Wednesday, July 30, which emphasizes the word "nonsense," nevertheless contains some very clear and logical reasoning. This editorial displayed some extraordinary commonsense when it described as "wacky" the recommendation of the President's Violence Commission that all Americans should be required to surrender any handguns they own to the Government.

Step by step the editorial writer makes his case that even if our law-abiding citizens should surrender their handguns, the criminals are not going to give up theirs. He goes on to emphasize that such a recommendation simply means then that no homeowner will have a handgun in his own house to protect himself against an intruder.

With good sense, the editor comes back to the proposition that many of us in the Congress have long advocated and mandatory penalty for criminals who use guns in the commission of a felony. Certainly as to such criminals, a judge should be forbidden to suspend a sentence or let it run concurrently with the sentence for some other offense.

It is a privilege to associate myself with the words of the editorial writer who described the content of the report of the President's Violence Commission as "blithering nonsense" and to climax and to commend his description of these recommendations as a "soft-in-the-head" report.

The editorial is as follows:

MORE GUN CONTROL NONSENSE

As an introductory note to this editorial comment, an item in the crime news is worthy of attention. On Monday there were 22 armed robberies in Washington. This brought the July total as of that date to 450, compared to 332 armed robberies in all of July of 1968.

In the face of this a task force of the President's Violence Commission (appointed by President Johnson) comes forward with a wacky recommendation. Its proposal is, except in a very small number of cases, that all Americans should be required to surrender any hand guns they own to the government.

Here is the task force's reasoning: This is the only way in which the United States can break "the vicious circle of Americans arming to protect themselves from other armed Americans." Now what does this really come down to? Even the task force, we suppose, would concede that criminals are not going to surrender their hand guns. So what they are saying is that no homeowner, to cite one example, should be permitted to keep a hand gun in his own house to protect himself, his

wife, and his children against the night when some armed criminal might break into his home. Their argument is that home owners "may" seriously overrate firearms as a method of self-defense against crime. The "loaded gun in the home creates more danger than security."

This strikes us as blithering nonsense. How many members of this task force have been awakened in the middle of the night by a scream for help by some member of his family? Probably not one. But thousands of Americans are exposed to this dreadful experience every year. And in such a situation what is an unarmed householder supposed to do against an armed intruder? Hide under his bed, and never mind what happens to his family?

The major thrust of this soft-in-the-head report is that the requirement to surrender your hand gun, of which there are an estimated 24 million in the country, would reduce crime. This is absurd, for the criminals are not going to surrender their guns. A better and much more realistic way to deal with this problem will be found in legislation now being considered in Congress.

The intent of this legislation is to provide tough, really tough, mandatory penalties for criminals who use guns in the commission of a felony, such as rape, robbery or burglary. For a first offense the penalty generally favored would be a mandatory jail sentence in a federal jurisdiction, which includes Washington, of from one to 10 years. A judge would be forbidden to suspend this sentence or to make it run concurrently with the sentence for the primary offense. In case of a second offense, much stiffer jail sentences are proposed, and they should be written into law.

A similar bill passed the House last year, but was watered down in the Senate before becoming law. The argument then was that mandatory sentences deprive judges of discretion in imposing penalties. And so they would. But in one week at the time the watered-down bill was passed 17 criminals in this city were found guilty of crimes in which guns were used. In six of these cases, more than one-third, the judge imposed suspended sentences, which means that no jail terms were served for using a gun.

So we say let's make the sentences mandatory. And let's not deprive the law-abiding citizen of hand guns in his own home while the criminal element will remain armed to the teeth.

CONGRESSMAN BIAGGI'S RESOLUTION

(Mr. LOWENSTEIN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LOWENSTEIN. Mr. Speaker, Congressman MARIO BIAGGI has introduced a resolution calling for the creation of a select congressional committee to investigate problems of crime and violence at military installations.

The immediate incentive for this resolution is the appalling incident at Camp Lejeune in which one marine was killed and another's face was battered beyond recognition.

There are few men who bring as much distinction to Congress by their presence here as does Congressman BIAGGI. The word "hero" is applied loosely these days, so it seems almost an understatement to use it about this extraordinary man who was injured 21 times in the line of duty during his years of service as a policeman, and whose courage and dedication to the public good have been recognized

by his inclusion in the National Police-man's Hall of Fame.

Many of us here are already indebted to Congressman BIAGGI for new insights, and for strengthening our faith in the possibility of the maintenance of high standards of public service for long periods of time and the face of great difficulties. He renders another service to the public by taking the leadership in this matter of crime and military justice. His resolution offers the opportunity to the Congress to fulfill a responsibility we have avoided for far too long a time—the responsibility for overseeing the way in which the Armed Forces are coping with problems of discipline, crime, violence, and justice.

We should undertake this investigation as soon as possible, and the military should welcome it. Servicemen of all races, of all ranks, as well as Americans committed to upholding the Constitution of this country, should insist that we stop abdicating this function that can be undertaken properly only by the Congress, in the wake of the burgeoning doubts about so many aspects of military justice and discipline.

There have been too many peculiar episodes, from the Presidio to Camp Lejeune, that have left the public troubled and mystified—trouble about conditions in stockades, about the fairness of military justice, about the protection of servicemen from violence, at least while they are on bases in this country. It would be in everybody's interest to have these problems investigated with energy and impartiality so what is cloudy can be cleared up, and what is wrong can be righted.

THE MATTER OF CONGRESSMAN REID'S VISA TO VISIT SOUTH AFRICA

(Mr. LOWENSTEIN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. LOWENSTEIN. Mr. Speaker, as you know, our distinguished colleague, Congressman REID of New York, has been invited by the National Union of South African Students to give what is called in South Africa the Affirmation Day speech. He has yet to receive, however, a visa from the South African Government. Today's Rand Daily Mail reports in a front page editorial that the South African Government is considering issuing a visa to Congressman REID—and to other Congressmen as well—on the precondition that they make no public statements while in South Africa.

The Rand Daily Mail notes that prominent South Africans who are highly critical of this country and of Great Britain have no difficulty obtaining visas to come and go at will, expressing their views when and where they feel so moved. South Africa, it notes, creates obstacles for foreign critics of South African race policies but gives every encouragement to "conservatively minded visitors, including Mosleyites, John Birchers, who are often offered time on the South African Broadcasting Corp. to

voice their opinions." Thus, concludes the Rand Daily Mail, the South African Government tries to manipulate the thinking of the South African people.

That may be a matter between the South African Government and its people, but there are many Members of this House who are concerned about the possibility of the South African Government refusing to permit Members of Congress to visit in South Africa, or imposing demeaning preconditions on Members of Congress as a price for admission. This kind of precondition seems especially inappropriate when an invitation to speak has been extended by the National Union of South African Students, a representative body of South African students and an organization that has gained worldwide stature and admiration for its courage, independence, and integrity.

I rise at this time simply to express the hope that the Government of South Africa will not commit yet another act that will gain it fresh opprobrium among free men everywhere. It is unthinkable that a member of the South African Parliament would be admitted to the United States but not allowed to speak. It is equally unthinkable that a U.S. Congressman should be told he can visit South Africa only under a muzzle. Such a decision by the South African Government would be an insult to Congress and to the United States, and would only serve to widen the gulf between South Africa and the rest of the world.

The Congress will soon be considering the question of the South African sugar quota and the matter of landing rights for South African Airways. Refusing Members of Congress the right to visit in South Africa, or offering them discriminatory visas for such visits, will not win friends for the South African Government in the Congress or in this country.

TRIP BY CONGRESSMAN REID OF NEW YORK TO SOUTH AFRICA

(Mr. MORSE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MORSE. Mr. Speaker, it is my understanding that the gentleman from New York (Mr. REID) has been invited to South Africa to address the Annual Day of Affirmation of Academic and Human Freedom ceremony of the National Union of South African Students.

It was disturbing to learn, however, that the South African Government has imposed certain conditions upon the granting of a visa to Congressman REID. One of these is that he make no speeches while in South Africa.

The Rand Daily Mail, one of Johannesburg's leading newspapers, published a front page editorial last week protesting this decision of the South African Government. It noted that the Government has encouraged visitors who agree with its race policies, even to the extent of giving them time to appear on the South African Broadcasting Co. In comparison, when the late Senator Robert F. Ken-

nedy visited that country to make the same Affirmation Day address in 1966, his presence was barely mentioned on SABC.

I would hope that when the South African cabinet meets tomorrow it will reconsider its decision and grant Mr. REID a visa without conditions for this important occasion.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to:

Mr. BARING (at the request of Mr. ALBERT), for today, on account of official business.

Mr. TAFT (at the request of Mr. GERALD R. FORD), for August 1 through 8, on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MESKILL), to revise and extend their remarks and include extraneous matter.)

Mr. HALPERN, for 5 minutes, today.
Mr. WHELEN, for 30 minutes, on Tuesday, August 5.

(The following Members (at the request of Mr. ALEXANDER), to revise and extend their remarks and include extraneous matter.)

Mr. REUSS, for 20 minutes, today.
Mr. GONZALEZ, for 10 minutes, today.
Mr. FARBERSTEIN, for 20 minutes, today.
Mr. FLOOD, for 15 minutes, today.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend his remarks was granted to:

Mr. BENNETT to revise and extend his remarks during debate on S. 1611.

Mr. POAGE.
Mr. MILLS to include a table with his statement on House Resolution 509.

Mr. MADDEN to revise and extend his remarks on House Resolution 509.

Mr. RANDALL in two instances and to include extraneous matter.

(The following Members (at the request of Mr. MESKILL) and to include extraneous matter.)

Mr. UTT in two instances.
Mr. PETTIS.
Mr. BURKE of Florida.
Mr. SCHWENGLER in two instances.
Mr. DON H. CLAUSEN.
Mr. HALPERN.
Mr. WYMAN in two instances.
Mr. WOLD.
Mr. WHITEHURST.
Mr. COUGHLIN.
Mr. KING in three instances.
Mr. BRAY in five instances.
Mr. VANDER JAGT.

Mr. RHODES in five instances.

Mr. CONTE in two instances.

Mr. HORTON.

Mr. ROBISON.

Mr. REID of New York in two instances.

Mr. McEWEN.

Mr. STEIGER of Wisconsin.

Mr. BUSH.

(The following Members (at the request of Mr. ALEXANDER) and to include extraneous matter:)

Mr. BOLLING.

Mr. WILLIAM D. FORD.

Mr. GONZALEZ in two instances.

Mr. DE LA GARZA in two instances.

Mr. GARMATZ.

Mr. BYRNE of Pennsylvania.

Mr. LEGGETT.

Mr. MCCARTHY in three instances.

Mr. ECKHART.

Mr. ROBINO.

Mr. DOWNING in two instances.

Mrs. GRIFFITHS.

Mr. O'HARA in two instances.

Mr. BIAGGI in two instances.

Mr. RYAN in three instances.

Mr. HANNA.

Mr. FUQUA.

Mr. NICHOLS.

Mr. BINGHAM.

ENROLLED BILL SIGNED

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 9951. An act to provide for the collection of the Federal unemployment tax in quarterly installments during each taxable year; to make status of employer depend on employment during preceding as well as current taxable year; to exclude from the computation of the excess the balance in the employment security administration account as of the close of fiscal years 1970 through 1972; to raise the limitation on the amount authorized to be made available for expenditures out of the employment security administration account by the amounts so excluded; and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on the following days present to the President, for his approval, bills of the House of the following titles:

On August 1, 1969:

H.R. 13079. An act to continue for a temporary period the existing interest equalization tax.

On August 4, 1969:

H.R. 9951. An act to provide for the collection of the Federal unemployment tax in quarterly installments during each taxable year; to make status of employer depend on employment during preceding as well as current taxable years; to exclude from the computation of the excess the balance in the employment security administration account as of the close of fiscal years 1970 through 1972; to raise the limitation on the amount authorized to be made available for expenditures out of the employment security administration account by the amounts so excluded; and for other purposes.

ADJOURNMENT

Mr. ALEXANDER. Mr. Speaker, I move that the House do now adjourn.
The motion was agreed to; according-

ly (at 7 o'clock and 29 minutes p.m.), the House adjourned until tomorrow, Tuesday, August 5, 1969, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1017. A letter from the Secretary of the Air Force, transmitting the semiannual report on Air Force experimental, development, test, and research procurement action, for the period January 1 through June 30, 1969, pursuant to the provisions of 10 U.S.C. 2357; to the Committee on Armed Services.

1018. A letter from the Comptroller General of the United States, transmitting a report on the effectiveness and administration of the community action program in Lake County, Ind., under title II of the Economic Opportunity Act of 1964, as amended, Office of Economic Opportunity; to the Committee on Education and Labor.

1019. A letter from the Comptroller General of the United States, transmitting a report on the examination of the financial statements of the U.S. Government Printing Office, fiscal year 1968; to the Committee on Government Operations.

1020. A letter from the Comptroller General of the United States, transmitting a report on silver sales limited to small business concerns, Treasury Department; to the Committee on Government Operations.

1021. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting a report on the facts in each application for conditional entry of aliens into the United States under section 203(a)(7) of the Immigration and Nationality Act for the 6-month period ending June 30, 1969, pursuant to the provisions of section 203(f) of the act; to the Committee on the Judiciary.

1022. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissible to the United States under the provisions of section 212(a)(28)(I)(ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1023. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders suspending deportation, together with a list of the persons involved, pursuant to the provisions of section 244(a)(1) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

1024. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders suspending deportation, together with a list of the persons involved, pursuant to the provisions of section 244(a)(2) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

1025. A letter from the Chairman, U.S. Atomic Energy Commission, transmitting a draft of proposed legislation to retrocede to the State of New York exclusive jurisdiction held by the United States over part of the lands within the boundaries of the Brookhaven National Laboratory of the U.S. Atomic Energy Commission; to the Joint Committee on Atomic Energy.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of July 31, 1969,

the following bill was reported on August 2, 1969:

Mr. MILLS: Committee on Ways and Means. H.R. 13270.—A bill to reform the income tax laws (Rept. No. 91-413, pt. I). Referred to the Committee of the Whole House on the State of the Union.

[Submitted Aug. 4, 1969]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLS: Committee on Ways and Means. H.R. 13270. A bill to reform the income tax laws (Rept. No. 91-413, pt. II). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 13279. A bill to amend the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mrs. DWYER:

H.R. 13280. A bill to amend the Tariff Schedules of the United States with respect to the rate of duty on olives packed in certain airtight containers; to the Committee on Ways and Means.

By Mr. FARBERSTEIN:

H.R. 13281. A bill to require advertising for gasoline that contains lead to contain a statement that the gasoline contains lead and that inhaling its fumes can be fatal and to require that such statement be prominently displayed where such gasoline is sold; to the Committee on Interstate and Foreign Commerce.

By Mr. FISH:

H.R. 13282. A bill to amend Public Law 87-849, approved October 23, 1962, to strengthen provisions relating to disqualification of former Federal officers and employees in matters connected with former duties and official responsibilities, and for other purposes; to the Committee on the Judiciary.

By Mr. WILLIAM D. FORD:

H.R. 13283. A bill to establish in the State of Michigan the Sleeping Bear Dunes National Lakeshore, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WILLIAM D. FORD (for himself, Mr. NEZEL, Mr. BURTON of California, Mr. DENT, Mr. HAWKINS, Mr. MARTIN, and Mrs. MINK):

H.R. 13284. A bill to amend title 37, United States Code, to authorize travel, transportation, and education allowances to certain members of the uniformed services for dependents' schooling, and for other purposes; to the Committee on Armed Services.

By Mr. WILLIAM D. FORD (for himself, Mr. BURTON of California, Mr. DENT, Mr. HAWKINS, and Mrs. MINK):

H.R. 13285. A bill to amend the loan program in the National Defense Education Act of 1958 to extend the forgiveness for teaching benefit to teachers in American schools abroad supported by the United States; to the Committee on Education and Labor.

By Mr. GUDE:

H.R. 13286. A bill to establish a Commission on Government Procurement; to the Committee on Government Operations.

By Mr. KUYKENDALL:

H.R. 13287. A bill to name the bridge being constructed across the Mississippi River linking the States of Tennessee and Arkansas in honor of Dwight David Eisenhower, 34th

President of the United States; to the Committee on Public Works.

By Mr. LUKENS:

H.R. 13288. A bill to provide salary adjustments for employees in the postal field service; to the Committee on Post Office and Civil Service.

By Mr. MCCLORY:

H.R. 13289. A bill to amend title 18 of the United States Code in order to provide that committing acts dangerous to persons on board trains shall be a criminal offense; to the Committee on the Judiciary.

H.R. 13290. A bill to authorize appropriations to be used for the elimination of certain rail-highway grade crossings in the State of Illinois; to the Committee on Public Works.

By Mr. MOORHEAD:

H.R. 13291. A bill to authorize the Small Business Administration to guarantee any bid, payment, or performance bond under an agreement entered into by a small business concern which is a construction contractor or subcontractor; to the Committee on Banking and Currency.

H.R. 13292. A bill to increase the participation of small business concerns in the construction industry by providing for a Federal guarantee of certain construction bonds and authorizing the acceptance of certifications of competency in lieu of bonding in connection with certain Federal projects, and for other purposes; to the Committee on Banking and Currency.

H.R. 13293. A bill to amend section 3 of the Housing and Urban Development Act of 1968; to the Committee on Banking and Currency.

H.R. 13294. A bill to amend the act of August 24, 1935 (commonly referred to as the "Miller Act"), to exempt construction contracts not exceeding \$20,000 in amount from the bonding requirements of such act, and for other purposes; to the Committee on the Judiciary.

By Mr. PEPPER:

H.R. 13295. A bill to amend the Higher Education Facilities Act of 1963 to permit grants and loans under that act for automobiles parking facilities for students and personnel of institutions of higher education; to the Committee on Education and Labor.

H.R. 13296. A bill to amend title II of the Social Security Act to increase the amount of outside income which an individual whose spouse is disabled (if such spouse is also entitled to benefits) may earn without suffering deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 13297. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. ROYBAL:

H.R. 13298. A bill to amend the Public Health Service Act to direct the Secretary of Health, Education, and Welfare to make health information available to the public; to the Committee on Interstate and Foreign Commerce.

By Mr. WALDIE:

H.R. 13299. A bill to amend section 13a of the Interstate Commerce Act, relating to the discontinuance or change of certain operations or services of common carriers by rail, in order to require the Interstate Commerce Commission to give full consideration to all financial assistance available before permitting such discontinuance or change; to authorize a study of essential passenger service by the Secretary of Transportation; to review the discontinuance process; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS:

H.R. 13300. A bill to amend the Railroad Retirement Act of 1937 and the Railroad Re-

tirement Tax Act to provide for the extension of supplemental annuities and the mandatory retirement of employees, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE of Texas (by request):

H.R. 13301. A bill to provide for the adjustment by the Administrator of Veterans' Affairs, of the legislative jurisdiction over lands belonging to the United States which are under his supervision and control; to the Committee on Veterans' Affairs.

By Mr. BOLLING:

H.R. 13302. A bill to amend the Internal Revenue Code of 1954 to provide for lower income tax rates for moderate- and middle-income individuals for taxable years beginning after 1970; to the Committee on Ways and Means.

By Mr. DELLENBACK:

H.R. 13303. A bill to amend the Military Selective Service Act of 1967 in order to provide for a more equitable system of selecting persons for induction into the Armed Forces under such act; to the Committee on Armed Services.

By Mr. ERLBORN (for himself, Mr. PERKINS, Mr. AYRES, Mr. PUCINSKI, Mr. BELL of California, Mr. CAREY, Mr. ASHBROOK, Mr. MEEDS, Mr. QUIE, Mr. O'HARA, Mr. ESHLEMAN, Mr. HAWKINS, Mr. DENT, Mr. REID of New York, Mr. DANIELS of New Jersey, Mr. SCHERLE, Mr. POWELL, Mr. ESCH, Mr. COLLINS, Mr. BINGHAM, Mrs. GREEN of Oregon, and Mrs. MINK):

H.R. 13304. A bill to provide for educational assistance for gifted and talented children; to the Committee on Education and Labor.

By Mr. FINDLEY (for himself, Mr. MIZE, and Mr. MORSE):

H.R. 13305. A bill to promote the foreign policy and security of the United States by providing authority to negotiate a commercial agreement with Rumania, and for other purposes; to the Committee on Ways and Means.

By Mr. HAWKINS (for himself, Mr. STOKES, Mr. RUTH, Mr. CLAY, Mr. ELBERG, Mr. ADDABBO, Mr. CLANCY, Mr. ROONEY of New York, and Mr. GAYDOS):

H.R. 13306. A bill to provide for special programs for children with specific learning disabilities; to the Committee on Education and Labor.

By Mr. McMILLAN:

H.R. 13307. A bill to amend chapter 3 of title 16 of the District of Columbia Code to authorize the Domestic Relations Branch of the District of Columbia Court of General Sessions to remove a child from a proposed adoptive home if a petition for adoption is revoked, withdrawn, or denied, and for other purposes; to the Committee on the District of Columbia.

By Mr. MOSS:

H.R. 13308. A bill to establish a Federal Broker-Dealer Insurance Corporation; to the Committee on Interstate and Foreign Commerce.

By Mr. PUCINSKI:

H.R. 13309. A bill to provide more efficient and convenient passport services to citizens of the United States of America; to the Committee on Foreign Affairs.

By Mr. PUCINSKI (for himself, Mr. PERKINS, Mr. AYRES, Mrs. GREEN of Oregon, Mr. THOMPSON of New Jersey, Mr. QUIE, Mr. DENT, Mr. BELL of California, Mr. DANIELS of New Jersey, Mr. REID of New York, Mr. BRADENAS, Mr. ERLBORN, Mr. O'HARA, Mr. SCHERLE, Mr. CAREY, Mr. DELLENBACK, Mr. ESCH, Mr. HATHAWAY, Mr. ESHLEMAN, Mr. SCHEUER, Mr. STEIGER of Wisconsin,

Mr. MEEDS, Mr. COLLINS, Mr. HANSEN of Idaho, and Mrs. MINK):

H.R. 13310. A bill to provide for special programs for children with specific learning disabilities; to the Committee on Education and Labor.

By Mr. WEICKER (for himself, Mr. ROBISON, Mr. ANDERSON of Illinois, Mr. REES, Mr. POLLOCK, Mr. DONOHUE, Mr. MESKILL, Mr. FREY, Mr. HASTINGS, Mr. MCDADE, and Mr. BUTTON):

H.R. 13311. A bill to facilitate the movement of persons and goods in interstate commerce, and to aid in eliminating the burdens on interstate commerce which result from lack of adequately coordinated transportation facilities in many parts of the United States, through a comprehensive program of Federal assistance to States and localities to aid in the provision of such facilities; to the Committee on Ways and Means.

By Mr. WOLFF (for himself, Mr. EVANS of Colorado, and Mr. WHALLEY):

H.R. 13312. A bill to amend the Internal Revenue Code of 1954 to provide the same tax exemption for servicemen in and around Korea as is presently provided for those in Vietnam; to the Committee on Ways and Means.

By Mr. ZWACH:

H.R. 13313. A bill to deny an income tax deduction for a charitable contribution by a public official of his collection of letters and other papers, and to limit the tax benefits of other gifts to charity of certain property which has appreciated in value; to the Committee on Ways and Means.

By Mr. FREY (for himself, Mr. SIKES, Mr. BENNETT, Mr. HALEY, Mr. FASCELL, Mr. ROGERS of Florida, Mr. CRAMER, Mr. FUQUA, Mr. PEPPER, Mr. GIBBONS, Mr. BURKE of Florida, and Mr. CHAPPELL):

H.J. Res. 859. Joint resolution providing for the establishment of the Astronauts Memorial Commission to construct and erect with funds a memorial in the John F. Kennedy Space Center, Fla., or the immediate vicinity, to honor and commemorate the men who serve as astronauts in the U.S. space program; to the Committee on House Administration.

By Mr. FREY (for himself, Mr. MORTON, Mr. BELCHER, Mr. CARTER, Mr. KING, Mr. MYERS, Mr. FLYNT, Mr. FISHER, Mr. RUPPE, Mr. MESKILL, Mr. MATSUNAGA, Mr. LUJAN, Mr. JOHNSON of California, Mr. WOLD, Mr. McDONALD of Michigan, Mr. GROVER, Mr. BLACKBURN, Mr. THOMPSON of Georgia, Mr. McKNEALLY, Mr. BROYHILL of North Carolina, Mr. ROBINO, Mr. WHALLEY, Mr. WYLLIE, and Mr. WOLFF):

H.J. Res. 860. Joint resolution providing for the establishment of the Astronauts Memorial Commission to construct and erect with funds a memorial in the John F. Kennedy Space Center, Fla., or the immediate vicinity, to honor and commemorate the men who serve as astronauts in the U.S. space program; to the Committee on House Administration.

By Mr. FREY (for himself, Mr. KLEPPE, Mr. DENNIS, Mr. COLLINS, Mr. MONTGOMERY, Mr. FRELINGHUYSEN, Mr. COUGHLIN, Mr. HARVEY, Mr. STAFFORD, Mr. EDWARDS of Alabama, Mr. MICHEL, Mr. GERALD R. FORD, Mr. RIEGLE, Mr. BROWN of Ohio, Mr. RAILSBACK, Mr. BEALL of Maryland, Mr. WYATT, Mr. BIESTER, Mr. STEIGER of Wisconsin, Mr. BUCHANAN, Mr. DICKINSON, Mr. DERWINSKI, Mr. CASEY, Mr. HASTINGS, and Mr. HAMMERSCHMIDT):

H.J. Res. 861. Joint resolution providing

for the establishment of the Astronauts Memorial Commission to construct and erect with funds a memorial in the John F. Kennedy Space Center, Fla., or the immediate vicinity, to honor and commemorate the men who serve as astronauts in the U.S. space program; to the Committee on House Administration.

By Mr. FREY (for himself, Mr. PICKLE, Mr. WHITEHURST, Mr. McCLOSKEY, Mr. FLOWERS, Mr. HOGAN, Mr. STEIGER of Arizona, Mr. POLLOCK, Mr. HANSEN of Idaho, Mr. McCURE, Mr. ANDERSON of Illinois, Mr. GRIFFIN, Mr. MIZELL, Mr. RUTH, Mr. CAMP, Mr. SEBELIUS, Mr. FISH, Mr. DON H. CLAUSEN, Mr. CLARK, Mr. COLLIER, Mr. GAIMO, Mr. KLUCZYNSKI, Mr. MURPHY of Illinois, Mr. WHITE, and Mr. WILLIAMS):

H.J. Res. 862. Joint resolution providing for the establishment of the Astronauts Memorial Commission to construct and erect with funds a memorial in the John F. Kennedy Space Center, Fla., or the immediate vicinity, to honor and commemorate the men who serve as astronauts in the U.S. space program; to the Committee on House Administration.

By Mr. VANDER JAGT:

H.J. Res. 863. Joint resolution to establish a Commission on Balanced Economic Development; to the Committee on Interstate and Foreign Commerce.

By Mr. BIAGGI (for himself, Mr. ANDREWS of Alabama, Mr. ANNUNZIO, Mr. BINGHAM, Mr. BUTTON, Mr. CLAY, Mr. COWGER, Mr. MANN, Mr. RARICK, Mr. POWELL, Mr. SCHERLE, Mr. ST GERMAIN, Mr. TALCOTT, and Mr. YATRON):

H. Res. 512. Resolution creating a select committee to conduct an investigation and study of all aspects of crime and disorder on U.S. military installations; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

248. By the SPEAKER: Memorial of the Legislature of the State of California, relative to payments to members of the Philippine Scouts; to the Committee on Armed Services.

249. Also, memorial of the Legislature of the State of California, relative to flood control projects; to the Committee on Public Works.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

200. By the SPEAKER: Petition of Rose Julius, Trenton, N.J., relative to redress of grievances; to the Committee on Banking and Currency.

201. Also, petition of Henry Stoner, York, Pa., relative to American policy in Asia; to the Committee on Foreign Affairs.

202. Also, petition of Allan Feinblum, New York, N.Y., relative to a system for polling voters on issues; to the Committee on Post Office and Civil Service.

203. Also petition of the Board of Chosen Freeholders, Union County, N.J., relative to extension of the Interstate Highway System; to the Committee on Public Works.

204. Also, petition of the Town Board, Orangetown, N.Y., relative to taxation of State and local government securities; to the Committee on Ways and Means.